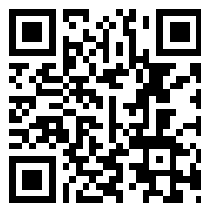

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ARTES SCIENTIA VERITAS

DOCUMENTS ON
BRITISH
FOREIGN POLICY
1919—1939

EDITED BY

W. N. MEDLICOTT, M.A., D.Lit.

Emeritus Professor of International History, University of London

DOUGLAS DAKIN, M.A., Ph.D.

Reader in History, Birkbeck College, University of London

AND

M. E. LAMBERT, M.A.

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DOCUMENTS ON BRITISH FOREIGN POLICY

1919-1939

Series IA, Volume II

**The Termination of
Military Control in Germany**

**Middle Eastern
and American Questions**

1926-1927

PREFACE

THE main theme of the first three chapters of this volume is the winding up of the system of military control in Germany set up in execution of the disarmament clauses of the Treaty of Versailles. So early as 1923 His Majesty's Government had publicly announced their belief that Germany was effectively disarmed (see document No. 202) and, in view of the *rapprochement* between Germany and her former enemies effected by the Locarno agreements and Germany's entry into the League of Nations in September 1926, the continued presence of the Inter-Allied Military Commission of Control in Germany seemed in British eyes to be inconsistent with Sir Austen Chamberlain's general policy of reconciliation in Europe.

In urging the termination of military control in Germany and also in pressing for further reductions in the number of troops of occupation in the Rhineland British policy coincided to a certain limited extent with much larger German aims. This correspondence did not, however, make for very smooth relations and there is a continuing note of irritation in Sir A. Chamberlain's repeated attempts to win closer German co-operation in the Rhineland and over disarmament (see documents Nos. 3, 22, 138, 392). Although the clumsiness of German policy might exasperate, yet in the eight months covered by this volume Germany obtained a permanent seat on the Council of the League of Nations on her own terms, the withdrawal of the Commission of Control, and acceptance by her Locarno partners of her Treaty of Friendship with the U.S.S.R. without making any major concessions in return.

Great Britain's relations with her Locarno partners were complicated by the ambivalent attitude of France to her eastern neighbour when the two poles of French foreign policy were personified in a Cabinet in which M. Poincaré as President of the Council was teamed with M. Briand as Minister for Foreign Affairs. The Locarno policy of reconciliation was welcomed less enthusiastically in France than in Great Britain (see document No. 25) and the French search for security, which had been pursued despite the failure of the alliances of 1919 with Great Britain and the United States and of the Geneva Protocol of 1924, remained frustrated. On the one hand, France was reluctant to abandon her position in the Rhineland and the Saar (see document No. 135), she sought to extend her system of alliances in Eastern Europe, and her attitude at the Preparatory Commission for the Disarmament Conference, where M. Paul-Boncour suggested a scheme too closely reminiscent of the Geneva Protocol to please his British colleagues (see documents Nos. 14, 16, 19-21, and 28), was summed up as follows by the British military representative, Colonel A. C. Temperley: 'the French will accept a reduction of the period of [military] service and, in principle, the League

scheme of supervision of the armaments for ex-enemy countries. This cannot be considered to be a very serious contribution from the most formidable military Power in Europe. Their refusal to do more appears to be dictated entirely by fear of Germany and by no other reason' (document No. 215).

On the other hand, there were in the period covered by this volume significant indications of a drawing together of France and Germany on economic as well as political grounds. H.M. Ambassador at Paris reported on June 1, 1926, in the context of a recent meeting of French and German industrialists, that the influential French journalist Pertinax had urged that 'the way of escape from the dangerous illusions of Locarno and the position of subordination to Great Britain and Italy to which it had condemned France was a direct "rapprochement" with Germany'. 'I think', commented Lord Crewe, 'that, as Pertinax hints, it is probably true that the possibility of better Franco-German relations is seriously occupying the minds of the Quai d'Orsay at the moment. But I should not argue, as Pertinax and, I understand, also certain members of the Quai d'Orsay staff are almost inclined to pretend that such a "rapprochement" would necessarily be inimical to British interests. It might be the result of a growing realisation in France that the Locarno guarantee is as much as will ever be obtained from Great Britain and that, if that guarantee is in fact in any respect considered to be inadequate or unsatisfactory in France, its operation can be rendered more remote by the promotion of better Franco-German relations' (document No. 36). This tendency, encouraged by Sir Austen Chamberlain, who thought it would 'assist the development of the policy of pacification pursued by His Majesty's Government' (document No. 40), reached its culmination in the meeting at Thoiry on September 17, 1926, between M. Briand and Dr. Stresemann, the German Minister for Foreign Affairs. At this meeting, so Dr. Stresemann informed H.M. Ambassador at Berlin, Lord D'Abernon, 'the result he aimed at for Germany was the complete liberation of the Rhineland from foreign occupation. The main result Briand appeared to aim at for France was financial assistance derived from the sale of a section of the [German] railway bonds now in the hands of the Trustee' (document No. 222). In the account of the meeting which he gave to Sir A. Chamberlain M. Briand laid a rather different emphasis. 'He said that he opened this conversation by reciting the questions which mainly interested the Germans: first, [military] control; second, the armies of occupation; and third, the Saar. As to control, France and Great Britain would be as glad to bring the Control Commission to an end as the Germans. It remained only for the Germans to carry out one or two details of no great consequence, and to which they had already agreed' (memorandum by Sir A. Chamberlain, document No. 238). Sir A. Chamberlain, while expressing his pleasure at the general character of the interview, referred to the 'considerable doubts' expressed by H.M. Treasury as to the practicability of some of the suggestions and as to their possible effect on British interests (*ibid.*). In the event the Thoiry conversation was without tangible results, but it coincided, perhaps significantly for the future, with another European development from which

Great Britain stood aside. On September 30, 1926, representatives of the French, German, Belgian, and Luxembourg steel industries signed a convention setting up a cartel, a matter which, according to the Chairman of the Managing Committee of the cartel, had earlier been placed before the representatives of the British industry but 'had not appeared to rouse much interest at the time' (document No. 244).

Italy, like Great Britain, had no part in these events, and it was perhaps inevitable that the Briand-Stresemann conversation should be followed by a meeting between Sir A. Chamberlain and Signor Mussolini, though Sir A. Chamberlain was at pains to explain to Lord D'Abernon his hope that 'Dr. Stresemann will not for one moment have supposed that either Mussolini or I regarded our meeting as in any sense an answer to the Thoiry conversation which we both heartily welcomed' (document No. 239). No startling proposals emanated from this meeting at Leghorn on September 30, 1926, but explanations were exchanged on Anglo-Italian points of friction in Albania and the Red Sea area and agreement was reached on the 'importance of maintaining complete harmony in policies' of the two countries (document No. 235).

In regard to relations with Italy Sir A. Chamberlain wrote on October 7, 1926: 'What Italy may want 10 or 20 years hence is a problem that often recurs to my mind . . . *it is essential* that we should keep Italy, a growing power, in sympathy with our policy & in co-operation with us' (document No. 243). The background here was in general the change in the balance of power in Central Europe since the Locarno settlement. This had, so Mr. Phipps, H.M. Minister at Paris, suggested, led French public opinion to realize that 'the rise of the influence of Italy is chiefly due to the national revival of that country working on its geographical situation in relation to Central Europe, and that the corresponding decline in French prestige is influenced by French parliamentary and financial difficulties' (document No. 126).

Great Britain might successfully avoid taking sides as between France and Italy but could not disinterest herself in the particular instances of a forward Italian policy in the Red Sea (see Chapter IV) and Albania, where His Majesty's Government declined to admit that Italy had an exclusive influence (see documents Nos. 118, 157, and 167). The signature of the Italian-Albanian treaty of Tirana on November 27, 1926, was regarded with considerable apprehension by France's ally, the Serb-Croat-Slovene State, thus sharpening mutual Franco-Italian suspicions, and in December Sir A. Chamberlain found himself 'alone here in Geneva in seeking to explain and defend Italian policy' (document No. 347). Thus Mussolini's Italy was an uncomfortable if not already unreliable associate whose policy was not conducive to the 'stability and tranquillity in the Balkans' at which His Majesty's Government aimed (document No. 329), while relations with both Germany and Italy tended to create problems within the *entente* with France, which remained a fundamental hypothesis in the conduct of British foreign policy.

Chapters I-III further include, in particular, documentation in regard to the proceedings of the Preparatory Commission for the Disarmament Conference appointed by the League of Nations, and to the especially important

subject of Anglo-Soviet relations, which entered on a critical phase in the summer of 1926.

At the Preparatory Commission three major difficulties, each marked by Anglo-French differences, arose; namely, should naval strength be measured by total tonnage or tonnage by classes, should trained reserves count in the strength of an army and should commercial aircraft count as part of an air force. Viscount Cecil of Chelwood, the British representative on the Commission, addressed to the Imperial Conference in November 1926 a cogently argued plea for general disarmament in the course of which he expressed the optimistic view that the Commission's work up till that date had shown that there was no insuperable technical difficulty and that given good will the differences of opinion could be adjusted (document No. 273).

If good will and optimism were required in questions of disarmament they were equally essential in Anglo-Soviet relations, which were deteriorating ominously. The first blow here recorded was the sharp exchange of notes in June 1926 when His Majesty's Government complained of the action of the Soviet authorities in 'specially permitting the transfer to Great Britain of funds destined for the support of the general strike' of May 1926 (document No. 52). This Soviet action, added to reports on the part played by Soviet agents in stimulating anti-British activities in China, provoked a vocal campaign within the country for the rupture of relations with the Soviet Government. Sir A. Chamberlain and his advisers were under considerable pressure from popular emotion to take such a step, but, in general, did not regard it either as sound diplomacy or likely to prevent the anti-British propaganda of which Sir A. Chamberlain complained to the Soviet Chargé d'Affaires (see No. 249), while at the same time being liable to involve a loss to British trade (see documents Nos. 56, 62, 103, 262, 317, 319, 332, 350, and 422). The view expressed in June 1926 by Mr. Gregory, the Assistant Under Secretary of State responsible for Anglo-Soviet relations, that 'there is no use in slamming a door which has only got to be opened again quite soon' (document No. 56) was taken up by Sir A. Chamberlain who, on January 24, 1927, warned the Cabinet that 'since the breach of diplomatic relations will not seriously weaken the position of the Soviet Government, it cannot be expected that it will lead to a change of policy on their part. It will merely cause them to intensify all the acts of which we complain. What then is to be the end? We have shot our bolt. Short of declaring war, there is nothing more which we can do. The situation will continue indefinitely. I can see no prospect of its leading to conditions in which we could resume relations or even renew negotiations with any prospect of success' (document No. 422).

The present documentation on Anglo-Soviet relations thus concludes pessimistically, but this was balanced by the hopes aroused by the success of representatives of Great Britain, Belgium, France, Italy, Japan, and Germany in reaching agreement at Geneva in December 1926 on the replacement as from January 31, 1927, of the Inter-Allied Military Commission of Control in Germany by the system of investigation envisaged by the League of Nations. Here again, however, there were menacing

indications for the future. The meeting at Geneva followed close upon revelations in the *Manchester Guardian* about clandestine military co-operation between Germany and the U.S.S.R., but it would appear that Dr. Stresemann was not questioned about these disclosures, which were to be evaluated in a minute of December 13, 1926, in the Foreign Office as seeming to contain 'nothing of immediate significance' (see document No. 334). Moreover, the difficulties which arose in the final negotiations of the Commission of Control with the German authorities in regard to adequate limitation of German import, export, and manufacture of war material (to which the British War Office attached especial importance), to preventing the military activities of the so-called 'patriotic' associations, and to ensuring the destruction of recently built fortifications on Germany's eastern frontier might suggest that confidence in Germany's peaceful intentions might be deceived.

Chapter IV illustrates British foreign policy on certain Middle Eastern questions, notably the improvement in Anglo-Turkish relations following the settlement of the Mosul question in the Treaty of Angora of June 5, 1926, a re-definition of British aims in Persia (see No. 458) and an attempt to limit Italian encroachments from Eritrea to the detriment of British interests in Arabia.

The documentation in Chapter V on Anglo-American relations since the Locarno Conference pivots on the problem of American claims for losses in respect of British measures in the blockade against Germany before the United States entered the First World War. The prospect of such claims being presented was of major concern to His Majesty's Government, not only because of the financial burden in addition to that incurred by the onerous war-debt settlement of 1923, but also because the admission of such claims in principle menaced the deployment of a major British strategic campaign in any future war. Fortunately good sense on both sides enabled a settlement to be reached.

In compiling this volume the Editor has used the private papers of Sir Austen Chamberlain, filed as F.O. 800, volumes 259-60. As before, documentation of the proceedings of the Conference of Ambassadors has been taken from the collected telegraphic reports from H.M. Embassy at Paris, filed as General 199, volume II, except in the case of No. 306 where the text of the French minutes filed in F.O. 893, volume 29, has been printed.

The conditions under which the Editors accepted the task of producing this Collection, namely, access to all papers in the Foreign Office archives and freedom in the selection and arrangement of documents, continue to be fulfilled. The archival difficulties noticed in the preface to Volume I apply also, however, to the present volume. As in Volume I the Editor has drawn on the Confidential Print (see documents Nos. 130, 191, and 486) and the summaries on the dockets of day-book registers of documents received in the Foreign Office (e.g. No. 65, note 3) to supplement the main files of the Foreign Office. Where the Confidential Print only is preserved in the main file an asterisk is added after the file number (e.g. No. 4).

I should like to thank the Librarian of the Foreign Office, Mr. C. J. Child,

O.B.E., and his staff for their indispensable assistance. I should also like to thank for their help at various stages in the production of this volume, Miss I. Bains, M.A., Miss C. J. Cairns, B.A., Mrs. J. M. E. Foster, B.A., Miss K. L. Hopkinson, B.A., Miss M. A. Williams, B.A., and Miss June Standing.

28 September 1967

M. E. LAMBERT

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May 18–September 10, 1926

NO. AND NAME	DATE	MAIN SUBJECT	PAGE
1 Mr. LONDON Geneva Tel. No. 93	May 18	Message from Lord Cecil reporting first meetings of Preparatory Commission for Disarmament Conference which discussed appointment of subcommittees	1

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CORRECTION

6

Page 4. Footnote 4, line 3. pp. 244–53 *should read* pp. 244–316.

Page 166. Footnote 13, lines 2 and 3. Rhineland *should be inserted before* High Commission.
Penultimate line. *Delete* the figure 166.

Page 439. Footnote 6, line 2. *cf* the proceedings *should read* the proceedings *cf*.

1

Page 497. Footnote 4, line 14. For good sufficient reasons *should read* For good & sufficient reasons.

3

Page 536. Line 15. *était charmé de proposer should read* *était charmé [sic ? chargé] de proposer.*

3

Page 629. Last line of text. 21.³ *should read* 21.⁴

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8 Mr. CABLE Danzig No. 19	May 20	Discusses relations between Poland the Free City of Danzig.	
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CHAPTER SUMMARIES

CHAPTER I

Correspondence regarding British policy in Europe from the opening of the Preparatory Commission for the Disarmament Conference to the entry of Germany into the League of Nations
May 18–September 10, 1926

NO. AND NAME	DATE	MAIN SUBJECT	PAGE
1 MR. LONDON Geneva Tel. No. 93	May 18	Message from Lord Cecil reporting first meetings of Preparatory Commission for Disarmament Conference which discussed appointment of subcommittees.	1
2 MR. LONDON Geneva Tel. No. 95	May 19	Reports that policy of H.M.G. on disarmament was outlined to Preparatory Commission on May 18: Commission began study of questions adopted by League Council in Dec. 1925. <i>Note 2:</i> instructions for British representatives on the Preparatory Commission.	2 2
3 TO VISCOUNT D'ABERNON Berlin No. 675	May 19	Records representations made to German Ambassador, Dr. Sthamer, regarding illumination of memorial in Rhineland to German victories in 1870–1 war: transmits Coblenz despatch No. 94 of May 12 reporting thereon: instructions to make representations to Dr. Stresemann, German M.F.A.	6
4 SIR G. CLERK Prague No. 171	May 19	Discusses effects in Czechoslovakia of Marshal Pilsudski's <i>coup d'état</i> in Poland.	11
5 TO LORD KILMARNOCK Coblenz Tel. No. 17	May 20	Approves proposal in enclosure in No. 3 to make representations to Reichskommissar regarding illumination of war memorial.	13
6 MR. LONDON Geneva Tel. No. 96 L.N.	May 20	Message from Lord Cecil transmitting proposed appeal to Spanish Govt. to accept scheme proposed by Committee on Composition of Council of League of Nations although Spain would not thereby acquire a permanent seat on Council.	13
7 MR. LONDON Geneva Tel. No. 99 L.N.	May 20	Message from Lord Cecil reporting conversation with U.S. Delegate to Preparatory Commission respecting Japanese proposal for discussions in Washington regarding further naval disarmament treaty.	15
8 MR. CABLE Danzig No. 19	May 20	Discusses relations between Poland and the Free City of Danzig.	15

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14	MR. LONDON Geneva Tel. No. 102 L.N.	May 22	Message from Lord Cecil commenting on difficulties raised for British and U.S. Delegations by French proposal (see No. 16) regarding assistance to an attacked state under Article 16 of League Covenant.	26
15	MR. LONDON Geneva Tel. No. 101 L.N.	May 22	Message from Lord Cecil referring to No. 7: proposes to accept U.S. suggestion for informal talks between British, Japanese and U.S. admirals.	26
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18	TO MR. LONDON Geneva Tel. No. 44	May 24	Message for Lord Cecil: approves informal naval conversations proposed in No. 15: French and Italian representatives should be present at proposed Washington Conference.	30
19	MR. LONDON Geneva Tels. Nos. 104-5 L.N.	May 24	Message from Lord Cecil referring to Nos. 14 and 16: drafting committee of Preparatory Commission was informed on May 22 that he could not discuss French proposal regarding assistance to attacked state: transmits redraft of French proposal resulting from conversation with M. Paul-Boncour on May 23: this was accepted by drafting committee on May 24.	30
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39	VISCOUNT D'ABERNON Berlin Tel. No. 182	June 2	Refers to No. 32 and comments on anxiety of M.F.A. to avoid incidents in Rhineland but also to obtain reduction of troops of occupation.	59
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48 MARQUESS OF CREWE Paris No. 1050	June 4	Reports on French policy on ratification of French war debt agreement with U.S. and its bearing on war debt negotiations with H.M.G.	77
49 TO MARQUESS OF CREWE Paris No. 1634	June 5	Formulates policy of H.M.G. on withdrawal of organs of military control from Austria, Hungary and Bulgaria.	79
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59	MR. SARGENT Foreign Office	June 14	Memorandum respecting duties of Commissions of Control under peace treaties pending investigation by League of Nations.	102
60	SIR R. HODGSON Moscow Tel. No. 135	June 16	Refers to No. 52 and transmits Soviet reply explaining regulations for transfer of funds abroad and denying Soviet Govt. sent funds to British strikers.	103
61	SIR R. HODGSON Moscow Tel. No. 136	June 16	Refers to No. 60 and comments on Soviet note on subventions to British strikers.	104
62	MR. ORDE Foreign Office	June 16	Memorandum respecting Anglo-Soviet relations: discusses relationship between Soviet Govt. and other bodies in U.S.S.R.: argues against a rupture of relations.	105
63	MR. ROBERTS Geneva	June 16	Letter to Mr. Cadogan commenting on questions referred to Subcommittee A of Preparatory Commission regarding possible regional disarmament and supervision of disarmament.	110
64	MR. LONDON Geneva Tel. No. 131 L.N.	June 18	Message for War Office from Colonel Temperley transmitting definition of armaments agreed by Subcommittee of Preparatory Commission for Disarmament Conference.	111
65	TO MR. ADDISON Berlin Tel. No. 83	June 18	Instructions to make representations with French colleague that German Government should send to Paris documents required to complete agreement on German aviation.	111
66	MR. KIRKPATRICK Foreign Office	June 19	Minute discussing definition of armaments in No. 64, in light of instructions that no attempt should be made to limit ultimate war strength.	112
67	TO VISCOUNT CHILSTON Vienna No. 261	June 22	Refers to No. 43 and considers possible effects on British interests of an Austro-German customs union.	113
68	SIR A. CHAMBERLAIN Foreign Office	June 24	Memorandum discussing possible British acceptance of compulsory arbitration of international disputes: annexes memo. by F.O. legal advisers.	114
69	MR. O'REILLY Durazzo Tel. No. 18	June 25	Reports reaction of Albanian President, Ahmed Zogu Bey, to Italian demand for Albanian acceptance of declaration by Conference of Ambassadors in 1921 regarding Italian relations with Albania.	121
70	MR. PHIPPS Paris Tel. No. 248	June 25	Transmits text of note from Conference of Ambassadors to Austrian Minister proposing talks on measures necessary to complete Austrian disarmament.	122
71	SIR R. HODGSON Moscow No. 451	June 26	Discusses remarks made by M. Chicherin to Col. Mackie indicating Soviet fear that H.M.G. would break off relations.	123

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73	TO SIR R. GRAHAM Rome Tel. No. 176	June 28	Refers to Nos. 69 and 72: instructions to make representations to Signor Mussolini regarding alleged demands on Albania: warns of dangers of provoking a Balkan crisis.	124
74	MR. PHIPPS Paris No. 1195	June 28	Refers to Nos. 25 and 47 and discusses recent developments of French policy in Central Europe in the light of the Locarno treaties and rivalry with Italy.	125
75	SIR R. GRAHAM Rome Tel. No. 155	June 30	Refers to Nos. 69 and 73: Signor Mussolini stated he wished to conclude a pact of friendship with Albania and had issued no ultimatum.	127
76	TO MR. PHIPPS Paris No. 1900	July 1	Refers to No. 42: instructions to inform French Govt. that H.M.G. are not prepared to agree to unconditional refusal to permit increase in German police effectives.	128
77	MR. LONDON Geneva Tel. No. 141 L.N.	July 2	Message from Mr. Roberts explaining disagreements in naval committee of Preparatory Commission for Disarmament Conference, especially on standards of comparison of navies.	130
78	MR. LONDON Geneva Tel. No. 142 L.N.	July 2	Message from Mr. Roberts referring to No. 77: reports of military and air committees were accepted by Subcommission A of Preparatory Commission but long discussion ensued on that of naval committee.	131
79	SIR R. HODGSON Moscow No. 468	July 2	Records conversation with M. Chicherin regarding complaints by H.M. Consul at Vladivostok of malpractices of agents of the State Political Dept.	132
80	SIR R. HODGSON Moscow No. 470	July 2	Discusses Soviet attitude to miners' strike in Great Britain.	133
81	SIR R. GRAHAM Rome	July 2	Letter to Sir A. Chamberlain discussing Italian policy, especially to France and Albania, and possibility of Italian aggression.	135
82	SIR R. GRAHAM Rome Tel. No. 158	July 3	Reports conversation with Secretary-General of the Italian Ministry of Foreign Affairs regarding Signor Mussolini's reactions to conversation reported in No. 75 on Italian policy in Albania.	137
83	MR. ROBERTS Geneva	July 5	Letter to Mr. Cadogan transmitting record of conversation with Major Lucien of French delegation respecting M. Paul-Boncour's proposal for making article 16 of the Covenant more effective (see Nos. 16 and 19).	138

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85	MARQUESS OF CREWE Paris No. 1266	July 7	Refers to No. 76: French Govt. have accepted view of H.M.G. on German police effectives and revised text of note is being sent to German Govt.: German Counsellor has indicated that his Govt. have hopes that following settlement on other matters police question could soon be raised again.	141
86	MR. O'REILLY Durazzo Tel. No. 22	July 11	President of Albania states Italian Minister now proposes treaty of friendship without allusion to declaration of 1921.	142
87	SIR O. RUSSELL Vatican No. 111	July 12	Considers foreign policy of Holy See with special reference to possible Anschluss between Germany and Austria.	143
88	TO MR. PHIPPS Paris	July 12	Letter from Mr. Sargent referring to No. 74: requests further development of views on French attitude to Locarno treaties and rivalry with Italy.	144
89	MARQUESS OF CREWE Paris Tel. No. 274	July 13	Reports that acceptance of draft German ordinances in completion of Agreement on Aviation has been urged, but French Govt. hope for modifications.	145
90	TO SIR R. HODGSON Moscow No. 535	July 13	Records conversation with Soviet Chargé d'Affaires regarding Soviet desire for settlement of outstanding questions with H.M.G.	147
91	MARQUESS OF CREWE Paris Tel. No. 276	July 15	Comments on French reception of agreement of July 12 settling French war debt to H.M.G.	151
92	TO MARQUESS OF CREWE Paris No. 2047	July 15	Records conversation with French Ambassador regarding possible Italian aggression against Turkey, Abyssinia or Albania.	152
93	MR. ADDISON Berlin No. 463	July 15	Transmits report on meeting of Foreign Affairs Committee of Reichstag on June 26 when Dr. Stresemann referred to possible German diplomatic action to obtain evacuation of occupied area of Rhineland.	154
94	TO VISCOUNT D'ABERNON Berlin Tel. No. 86	July 16	Requests information regarding alleged representations by Commission of Control to German Govt. on various military questions.	163
95	MARQUESS OF CREWE Paris Tel. No. 277	July 16	Reports meeting on July 16 of Conference of Ambassadors which took decisions regarding withdrawal of the Aeronautical Committee of Guarantee from Germany, the list of prohibited aviation material, communications to the German Govt. on the military activity of associations and illegal recruiting in the German army, and the execution in the Rhineland of the aviation agreement with Germany (cf. No. 29).	164

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97	VISCOUNT D'ABERNON Berlin Tel. No. 195	July 18	Refers to No. 94: no special notes have been sent by Commission of Control to German Govt. recently: comments on press campaign in Germany.	167
98	VISCOUNT CECIL	July 18	Memorandum commenting on hostile attitude of French representatives in recent naval subcommittee meetings at Geneva.	168
99	TO LORD KILMARNOCK Coblenz Tel. No. 27	July 21	Comments on incident at Gernersheim on July 3-4 involving German war veterans' association and French troops.	170
100	TO VISCOUNT D'ABERNON Berlin No. 935	July 22	Records conversation on July 15 between German Ambassador and Mr. Lampson on various questions affecting Anglo-German relations, especially German entry into League and application to Rhineland of League scheme of investigation of disarmament.	171
101	SIR W. MAX MULLER Warsaw Tel. No. 100	July 23	Reports conversation on July 22 with Polish M.F.A. on various incidents adversely affecting Anglo-Polish relations.	173
102	MARQUESS OF CREWE Paris Tel. No. 298	July 26	Refers to No. 89: Franco-German conversations on aviation questions may be completed in time for Aeronautical Committee of Guarantee to be withdrawn by end of August.	174
103	SIR W. TYRRELL Foreign Office	July 26	Memorandum on British foreign policy in relation to U.S.S.R. and Japan: discusses means of meeting threat arising from Soviet hostility.	175
104	MR. LAMPSON Foreign Office	July 26	Record of conversation with German Ambassador regarding Sir A. Chamberlain's statement that certain points in connexion with German disarmament were not yet settled.	178
105	MR. DODD Prague No. 227	July 27	Comments on statesmanlike speech by Dr. Spina of German Farmers' Union of Czechoslovakia on co-operation of German minority in Czechoslovak State.	180
106	TO SIR R. HODGSON Moscow Tel. No. 162	July 28	Requests comments on death of M. Dzerzhinski and expulsion of M. Zinoviev from Political Bureau of Central Committee of Russian Communist Party.	182
107	TO VISCOUNT D'ABERNON Berlin No. 966	July 28	Records conversation with German Ambassador who communicated note urging reduction of occupying troops in Rhineland.	182
108	SIR R. GRAHAM Rome No. 622	July 28	Reviews internal political situation in Italy, considering development of Fascism, position of Signor Mussolini, Italian	186

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109 LORD KILMARNOCK Coblenz No. 137	July 28	Records conversations with French and Belgian colleagues on likely policy of M. Poincaré's French Govt., the spirit of conciliation in Bavaria, and possible German financial compensation to France for reduction of troops of occupation.	194
110 VISCOUNT D'ABERNON Berlin	July 28	Letter to Sir A. Chamberlain regarding German attitude to Poincaré Ministry in France: reports conversation with Polish unofficial representative, Dr. Diamand, regarding Polish foreign policy.	196
111 SIR R. HODGSON Moscow Tel. No. 167	July 29	Refers to No. 106: comments on position of M. Stalin and evolution of Soviet Govt. towards nationalism leading to possible weakening of Communist International.	197
112 TO MARQUESS OF CREWE Paris No. 2167	July 29	Refers to No. 107 and transmits personal letter to M. Briand on French troops in Saar, numbers of troops in Rhineland and French desire for permanent supervision in Rhineland by League.	198
113 TO SIR G. GRAHAME Brussels No. 570	July 29	Instructions to speak to Belgian M.F.A. on lines of letter to M. Briand in No. 112 regarding numbers of troops in Rhineland and other points of disagreement between H.M. and French Govts.	204
114 TO MARQUESS OF CREWE Paris No. 2175	July 29	Records conversation with French Ambassador regarding possible modification in favour of Poland of report of Committee on Composition of Council, M. Poincaré's policy on war debts, and relations between M. Poincaré's Govt. and H.M.G.	204
115 MARQUESS OF CREWE Paris Tel. No. 311	July 30	Reports Belgian proposal that Conference of Ambassadors should ask German Govt. to hasten execution of outstanding military control matters.	207
116 LORD KILMARNOCK Coblenz No. 143	July 30	Comments on situation in Rhineland in light of incident at Germersheim (cf. No. 99).	207
117 TO MR. PHIPPS Paris	July 30	Letter from Mr. Lampson approving despatch of communication to German Govt. regarding associations (cf. No. 95), but questioning effectiveness of policy.	210
118 TO SIR R. GRAHAM Rome Tel. No. 203	July 31	Records conversation on July 29 with Italian Ambassador and summarizes despatch from Signor Mussolini regarding British-Italian relations in Albania.	211
119 MARQUESS OF CREWE Paris No. 1426	July 31	Comments on attached agreement between Conference of Ambassadors and Austrian delegation respecting completion of work of Organ of Liquidation of military control in Austria.	213

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121	TO SIR G. GRAHAME Brussels Tel. No. 59	Aug. 1	Instructions to inform M.F.A. of views in No. 120 on proposed communication to German Government on disarmament: assumes Belgian Government still desire early German entry into League.	218
122	MARQUESS OF CREWE Paris No. 1432	Aug. 1	Refers to No. 95 and transmits draft letter from Conference of Ambassadors to German Ambassador insisting on compliance with the resolution of the Conference of Mar. 4 regarding illegal recruiting in the German army.	218
123	TO SIR W. MAX MULLER Warsaw Tel. unnumbered	Aug. 2	Considers controversy on matters affecting Anglo-Polish relations mentioned in No. 101 would be most unfortunate.	220
124	SIR G. GRAHAME Brussels Tel. No. 90	Aug. 2	Reports conversation with M.F.A. regarding discussion at Conference of Ambassadors on execution of outstanding matters of military control (see Nos. 115 and 121): Belgian Govt. desire early German entry into League.	220
125	SIR G. GRAHAME Brussels Tel. No. 91	Aug. 2	Has spoken to M.F.A. as instructed in No. 113 regarding reduction of troops in Rhineland, the Saar and permanent League supervision in Rhineland.	221
126	MR. PHIPPS Paris	Aug. 2	Letter to Mr. Sargent referring to No. 88 and developing views in No. 74 on decline of French, in relation to Italian, prestige in Central Europe and on impossibility of reversing Locarno policy.	221
127	MARQUESS OF CREWE Paris Tel. No. 321	Aug. 4	Refers to Nos. 124 and 115 and reports further on Belgian proposal to Conference of Ambassadors regarding German disarmament: comments on French draft note thereon.	223
128	TO MR. RANDALL Vatican No. 141	Aug. 4	Instructions to inform Cardinal Secretary of State that No. 87 has been read with interest but H.M.G. deprecate raising question of Anschluss between Germany and Austria.	224
129	TO VISCOUNT D'ABERNON Berlin Tel. No. 88	Aug. 5	Instructions to repeat to Dr. Stresemann views expressed to German Chargé d'Affaires on Aug. 4 regarding incident at Gernersheim and to point out its dangers to policy of reconciliation.	225
130	SIR G. GRAHAME Brussels Tel. No. 93	Aug. 6	Refers to No. 124: M.F.A. states Belgian Ambassador at Paris has been instructed that Belgian Govt. agree with H.M.G. regarding fulfilment by Germany of outstanding disarmament obligations.	226

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132	VISCOUNT D'ABERNON Berlin Tel. No. 199	Aug. 6	Reports on conversation between M. Briand and Herr von Hoesch on Aug. 2 regarding outstanding questions: has discussed position with Herr von Schubert who urged reduction of troops of occupation.	227
133	MARQUESS OF CREWE Paris Tel. No. 324	Aug. 6	Mr. Phipps informed M. Berthelot on Aug. 5 of views in No. 129 on Germersheim incident, and was informed of French representations to Herr von Hoesch regarding German infringements of Treaty of Versailles, including despatch of war material to U.S.S.R.: M. Berthelot agreed that proposed repressive legislation in Rhineland should be dropped.	228
134	MR. ROBERTS Geneva No. 16 L.N.C.C.	Aug. 6	Reports proceedings of Subcommittee A of Preparatory Commission for Disarmament Conference since Aug. 2, especially regarding defensive armaments and forces and differentiation between civil and military aircraft.	229
135	SIR V. WELLESLEY Foreign Office	Aug. 7	Minute covering letter of Aug. 6 from M. Briand in reply to Sir A. Chamberlain's letter in No. 112 explaining French attitude regarding reduction of troops in Rhineland, French troops in the Saar, and permanent supervision of demilitarized zone in Rhineland by League.	232
136	TO VISCOUNT D'ABERNON Berlin Tel. No. 91	Aug. 9	Refers to No. 131: Herr von Schubert evidently does not appreciate gravity of Germersheim incident: instructions to warn M.F.A. that another such incident would lead to repressive legislation in Rhineland.	238
137	TO M. DE FLEURIAU London	Aug. 9	Letter from Sir A. Chamberlain explaining policy of H.M.G. regarding Polish claims to permanent seat on League Council (cf. No. 114): entry of Germany must be first priority.	238
138	TO VISCOUNT D'ABERNON Berlin No. 1028	Aug. 10	Refers to Nos. 26, 97, 131 and 133 and discusses difficulties in improving relations between Germany and ex-Allies: instructions to impress on M.F.A. need for concessions by Germany.	241
139	TO MARQUESS OF CREWE Paris Tel. No. 215	Aug. 11	Refers to No. 127 and approves draft note to German Ambassador at Paris regarding execution of outstanding disarmament obligations.	242
140	VISCOUNT D'ABERNON Berlin Tel. No. 202	Aug. 11	Discusses attitude of German President to German entry into League and possible conditions he may demand.	243

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142	MR. LAMPSON Foreign Office	Aug. 11	Record of conversation with Governor of Bank of England regarding possible financial aid from Germany to Belgium in return for retrocession of Eupen and Malmédy.	244
143	MR. LAMPSON Foreign Office	Aug. 12	Record of conversation on Aug. 11 with Governor of Bank of England regarding possible linking of solutions of question of Polish Corridor and Polish financial crisis.	248
144	MR. ROBERTS Geneva	Aug. 12	Letter to Mr. Cadogan commenting on slow progress of Subcommittee A of Preparatory Commission.	249
145	TO VISCOUNT D'ABERNON Berlin Tel. No. 93	Aug. 13	Nos. 140-1 and 149 regarding German attitude to entry into League cause grave concern; warns Dr. Stresemann against attempting to bargain.	252
146	VISCOUNT D'ABERNON Berlin Tel. No. 205	Aug. 13	Situation regarding German entry into League is as reported in Nos. 140-1; has spoken as instructed in No. 138 to M.F.A. who is taking steps to curb festivities in Rhineland but urged reduction of occupying troops.	253
147	VISCOUNT D'ABERNON Berlin No. 553	Aug. 13	Refers to No. 109 and comments on general improvement in German attitude to France.	254
148	MR. ROBERTS Geneva No. 22 L.N.C.C.	Aug. 13	Reports progress of Subcommittee A of Preparatory Commission since No. 134 regarding methods of supervision of disarmament and military value of merchant fleets; differentiation between civil and military aircraft is considered impossible.	255
149	TO VISCOUNT D'ABERNON Berlin Tel. No. 95	Aug. 14	Refers to No. 145 and records conversation on Aug. 11 between Mr. Gregory and Herr Dufour-Feronce who stated that concessions to Spain and Poland regarding seat on League Council might prevent German entry.	258
150	VISCOUNT D'ABERNON Berlin Tel. No. 207	Aug. 15	Refers to Nos. 145 and 149 and reports interview with M.F.A. regarding German entry into League; he urged that scheme of Committee on Composition of Council should be adhered to.	259
151	VISCOUNT D'ABERNON Berlin Tel. No. 208	Aug. 15	M.F.A. has urged reduction of troops in Rhineland but stated that instructions to German Commissioner should terminate Germersheim incident.	259
152	MARQUESS OF CREWE Paris Tel. No. 332	Aug. 15	Allied Military Committee of Versailles state ordinances completing agreement on German aviation have been agreed and propose withdrawal from Germany of Aeronautical Committee of Guarantee on Sept. 1.	260

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154	MR. GREGORY Foreign Office	Aug. 17	Record of conversation with Herr Dufour-Feronce who gave message from Dr. Stresemann referring to No. 149 and denying Germany was making despatch of delegation to Geneva conditional on reduction of occupying troops: possible concessions to Poland and Spain were discussed.	267
155	MARQUESS OF CREWE Paris Tel. No. 335	Aug. 18	M. Berthelot has informed Mr. Phipps that M. Fromageot, following conversation with Sir A. Chamberlain and Sir C. Hurst, will discuss entry of Germany into League with Dr. Gaus.	269
156	TO MARQUESS OF CREWE Paris No. 2358	Aug. 18	Records conversation on Aug. 13 between Mr. Gregory and French Ambassador who was informed of H.M.G.'s concern at effect of question of occupying troops and alleged concessions to Poland and Spain in relation to German entry into League.	270
157	TO ITALIAN AMBASSADOR London	Aug. 18	Note conveying considered reply to despatch in No. 118 regarding Anglo-Italian relations in Albania and expressing concern at Signor Mussolini's attitude.	271
158	MR. HUXLEY Foreign Office	Aug. 18	Memorandum summarizing history of negotiations on an amnesty in the Rhineland from Oct. 1925.	276
159	MR. PEROWNE Foreign Office	Aug. 18	Memorandum commenting on prosperity in Germany, on preparations there for future struggles and diminished popularity of U.K.	282
160	MR. LONDON Geneva Tel. No. 149 L.N.	Aug. 19	Message from Mr. Roberts referring to Nos. 144 and 148 and transmitting German declaration objecting to proposed investigation of disarmament.	284
161	MR. LONDON Geneva Tel. No. 150 L.N.	Aug. 19	Message from Mr. Roberts referring to Nos. 148 and 160 and reporting interview with Major Lucien regarding French attitude to supervision of disarmament: considers British policy.	284
162	TO VISCOUNT D'ABERNON Berlin Tels. Nos. 98-99	Aug. 19	Instructions to request German M.F.A. to support two modifications to report of Committee on Composition of Council which would assist Polish and Spanish Govts.	285
163	TO MARQUESS OF CREWE Paris No. 2365	Aug. 19	H.M.G. deprecate frequent representations to German Govt. but agree to representations regarding violation of demilitarized zone of Rhineland by German troops.	287

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165	MARQUESS OF CREWE Paris Tel. No. 339	Aug. 20	Reports conversation between M. Briand and Mr. Phipps regarding German policy.	289
166	MR. GREGORY Foreign Office	Aug. 20	Record of conversation with Herr Dufour-Feronce whose Govt. did not favour modifications to report of Committee on Composition of Council referred to in No. 162.	290
167	TO MR. SEEDS Unnumbered	Aug. 20	Instructions in connexion with duties as H.M. Minister at Durazzo: explains British policy to Albania.	291
168	SIR G. GRAHAME Brussels No. 804	Aug. 21	M.F.A. has handed to Mr. Knatchbull-Hugessen <i>note verbale</i> appealing to H.M.G. for financial assistance: proposal to retrocede Eupen and Malmédy will not be proceeded with.	296
169	MR. ROBERTS Geneva No. 25 L.N.C.C.	Aug. 21	Refers to Nos. 148 and 161 and reports decisions by Subcommission A of Preparatory Commission regarding supervision and military value of merchant fleets and civil aircraft.	297
170	FOREIGN OFFICE	Aug. 21	Memorandum on the international status of the Grand Duchy of Luxembourg with reference to Luxembourg request for participation in Locarno Treaties and guarantee of neutrality.	299
171	MR. GREGORY Foreign Office	Aug. 23	Record of conversation with Herr Dufour-Feronce who was informed of unfavourable reaction of Sir A. Chamberlain to report in No. 166 of German views regarding composition of League Council.	309
172	VISCOUNT D'ABERNON Berlin Tel. No. 221	Aug. 24	Refers to Nos. 173-4: M. Fromageot is satisfied with amendments to report of Committee on Composition of Council agreed with German representatives.	310
173	VISCOUNT D'ABERNON Berlin Tel. No. 218	Aug. 24	French colleague states that agreed text on composition of League Council has been accepted by German M.F.A. provided H.M. and French Govts. endorse it.	311
174	VISCOUNT D'ABERNON Berlin Tel. No. 219	Aug. 24	Transmits text of amendment agreed by M. Fromageot and German representatives to report of Committee on Composition of Council.	311
175	VISCOUNT D'ABERNON Berlin Tel. No. 222	Aug. 24	Reports interview with Herr von Schubert who stated his Govt. would accept modified scheme for Composition of League Council if accepted by H.M. and French Govts.	312
176	SIR R. HODGSON Moscow No. 598	Aug. 24	Reports conversation with M. Litvinov regarding conduct of Soviet Govt. in respect of the coal strike in U.K.	313

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178	MARQUESS OF CREWE Paris No. 1612	Aug. 26	Transmits note No. 168 of Aug. 17 from Conference of Ambassadors to German Embassy on settlement of outstanding questions of German disarmament.	316
179	MARQUESS OF CREWE Paris No. 1614	Aug. 26	Transmits note No. 169 of Aug. 17 from Conference of Ambassadors to German Embassy regarding enforcement of decree forbidding military activity by German associations.	317
180	SIR R. HODGSON Moscow No. 612	Aug. 26	M. Litvinov stated in conversation reported in No. 176 that Soviet Govt. favoured conversations to settle differences with H.M.G.: he was informed that Soviet policy regarding strike in U.K. and press attacks made British agreement to conversations unlikely.	318
181	MR. GREGORY Foreign Office	Aug. 26	Record of conversation regarding application of scheme for composition of League Council with Herr Dufour-Feronce who was told that questions of procedure must be decided at Geneva.	320
182	TO MARQUESS OF CREWE Paris Tel. No. 232 TO VISCOUNT D'ABERNON Berlin Tel. No. 107	Aug. 27	H.M.G. will support amended report of Committee on Composition of Council in No. 174.	321
183	SIR G. GRAHAME Brussels Tel. No. 99	Aug. 28	Reports reliable information that M. Poincaré favours permanent seats on Council for Poland and Spain and mobilization of German railway bonds.	321
184	VISCOUNT D'ABERNON Berlin Tel. No. 231	Aug. 28	German M.F.A. states recent conversations regarding amnesty and reduction of troops in Rhineland between M. Briand and Herr von Hoesch have been extremely satisfactory: further important negotiations seem likely.	322
185	SIR R. HODGSON Moscow No. 619	Aug. 28	Comments on information from American source on situation in U.S.S.R.: considers intervention in developments would be mistaken.	323
186	MR. LONDON Geneva Tel. No. 153 L.N.	Aug. 30	Message from Lord Cecil reporting Polish opposition to amended scheme in No. 174 on composition of League Council.	324
187	VISCOUNT CECIL Geneva	Aug. 30	<i>Aide-mémoire</i> communicated to M. Paul-Boncour requesting elucidation of points in French proposals for making article 16 of Covenant more effective (see No. 19).	325

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188	MR. LONDON Geneva Tel. No. 1 to Madrid Tel. No. 158 L.N. to F.O.	Sept. 1	Instructions from Sir A. Chamberlain to appeal to Spanish Prime Minister not to take hasty action as regards withdrawal from League following inability of interested Powers to satisfy Spanish demands at Tangier.	327
189	MARQUESS OF CREWE Paris No. 1656	Sept. 1	Transmits note No. 173 of Aug. 27 from Conference of Ambassadors to German Ambassador insisting on alienation of unauthorized military establishments.	328
190	MR. WINGFIELD Rome No. 747	Sept. 2	Comments on unfriendly attitude to France in Italy and reports remarks by Signor Mussolini on Aug. 31 and French colleague on Sept. 1 on questions affecting Franco-Italian relations.	330
191	VISCOUNT D'ABERNON Berlin Tel. No. 13 to Geneva Tel. No. 241 to F.O.	Sept. 3	Reports signature of agreement between German Govt. and Reparation Commission regarding payment by Germany of contingent annuities under Dawes Plan.	333
192	TO MARQUESS OF CREWE Paris No. 2525	Sept. 3	Instructions to inform French Govt. of conversations on Aug. 26 and 31 between Sir V. Wellesley and Herr Dufour-Feronce regarding numbers of troops of occupation in Rhineland and various concessions made by German Govt.: possible withdrawal of British troops was also mentioned.	334
193	TO MR. MAGOWAN Mainz No. 58	Sept. 4	Instructions to inform President of Saar Basin Governing Commission that H.M.G. do not support proposal in No. 84 for sale of French rights in Saar mines.	337
194	VISCOUNT CECIL Geneva No. 53 L.N.C.C.	Sept. 5	Reports discussions in Committee on Composition of the Council resulting in adoption on Sept. 3 of report on elective and permanent seats and of appeal to Spanish Govt. not to leave League.	337
195	TO SIR G. GRAHAME Brussels No. 663	Sept. 7	Records conversation at Geneva with Belgian M.F.A. regarding policy of MM. Poincaré and Briand (cf. No. 183), and impossibility of H.M.G. granting Belgium financial assistance requested in No. 168.	340
196	M. PAUL-BONCOUR Geneva	Sept. 7	Letter to Lord Cecil transmitting elucidation of French proposals on article 16 of League Covenant requested in No. 187.	341
197	MR. INGRAM Berlin No. 629	Sept. 8	Comments on air display at Berlin and warns that air developments in Germany require careful watching.	345
198	SIR W. TYRRELL Foreign Office	Sept. 8	Record of conversation with German Chargé d'Affaires who stated his Govt. hoped for immediate abolition of military control in Germany.	346
199	MARQUESS OF CREWE Paris No. 1719	Sept. 10	Transmits note No. 2779 of Sept. 6 from German Embassy to Conference of Ambassadors in reply to No. 178 regarding outstanding questions of German disarmament.	347

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200	MARQUESS OF CREWE Paris No. 1720	Sept. 10	Transmits note No. 2780 of Sept. 6 from German Embassy to Conference of Ambassadors in reply to No. 189 regarding alienation of unauthorized military establishments.	349
201	MARQUESS OF CREWE Paris No. 1721	Sept. 10	Transmits note No. 2778 from German Embassy to Conference of Ambassadors regarding illegal recruiting in German Army (cf. No. 122).	350
202	MARQUESS OF CREWE Paris No. 1722	Sept. 10	Transmits note No. 2777 from German Embassy to Conference of Ambassadors in reply to No. 179 regarding military activities of associations.	351
203	SIR A. CHAMBERLAIN Geneva	Sept. 10	Letter to Sir W. Tyrrell regarding entry of Germany into League and elections to Council.	355

CHAPTER II

Reactions to the Briand-Stresemann conversation at Thoiry: the Italian-Albanian Treaty of Tirana: decision to withdraw the Inter-Allied Military Commission of Control from Germany September 12–December 12, 1926

	NO. AND NAME	DATE	MAIN SUBJECT	PAGE
204	SIR A. CHAMBERLAIN Geneva No. 43 L.N.C.	Sept. 12	Records conversation with Dr. Stresemann on Sept. 11 regarding his impressions of the League, the Saar, the future of the Dawes plan, numbers of troops of occupation and situation in Rhineland: Sir A. Chamberlain expressed views on possible Franco-German conversations.	359
205	TO MR. WINGFIELD Rome No. 1270	Sept. 13	Records conversation at Geneva with Signor Grandi regarding Italian-Roumanian pact, British-Italian relations in Albania and Arabia, Italian policy on Tangier and Italian attitude to League.	362
206	TO CHANCERY Paris	Sept. 13	Letter from Central European Department regarding negotiations between Control Commission and German Govt. on definition of war material.	367
207	MARQUESS OF CREWE Paris Tel. No. 355	Sept. 14	M. Berthelot states Italian Ambassador has referred to possible Italian action in Anatolia but also to collaboration in world affairs with G.B., France and Germany.	370
208	TO MR. CADOGAN Geneva	Sept. 14	Letter from Mr. Sargent referring to possible hiatus when German air activities would be uncontrolled and suggesting that Sir A. Chamberlain might hint to German M.F.A. that air displays as reported in No. 197 might have bad effect in France.	370

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	NO. AND NAME	DATE	MAIN SUBJECT	PAGE
209	MR. TROUTBECK Foreign Office	Sept. 14	Memorandum respecting the German claim for a colonial mandate.	371
210	MR. PHIPPS Paris Tel. No. 358	Sept. 15	Reports conversation with M. Poincaré, French President of the Council, regarding German fortification work at Königsberg and other disquieting symptoms of German attitude, and also coal strike in U.K. and German reaction thereto.	382
211	TO MR. PHIPPS Paris No. 2642	Sept. 16	Requests for consideration draft note from Conference of Ambassadors to German Govt. regarding presence of Reichswehr officers on Luftrat (Air Council).	383
212	MR. PHIPPS Paris No. 1771	Sept. 16	Refers to No. 195 and discusses foreign and internal policy of M. Poincaré: considers M. Briand will maintain Locarno policy.	383
213	TO MR. CAVENDISH- BENTINCK Geneva	Sept. 16	Letter from Mr. Sargent regarding adjournment of discussion by League Council of application of scheme of investigation to Rhineland and possible hiatus after withdrawal of Commission of Control from Germany.	385
214	SIR R. HODGSON Moscow No. 672	Sept. 17	Refers to No. 96: considers that in spite of unsatisfactory Soviet reply, complaint regarding activities of State Political Dept. at Vladivostok has done good.	387
215	MR. ROBERTS Geneva No. 57 L.N.C.C.	Sept. 18	Refers to No. 169 and reports on examination by military, naval and air committees of Subcommittee A of Preparatory Commission for Disarmament Conference of methods of reducing and limiting armaments: transmits memo. by Col. Temperley on French willingness to limit their land armaments.	388
216	VISCOUNT CECIL Geneva	Sept. 18	Memorandum recording conversation with Dr. Stresemann regarding German attitude to League: he had discussed with M. Briand at Thoiry on Sept. 17 questions of Rhineland occupation and Saar.	392
217	MARQUESS OF CREWE Paris Tel. No. 361	Sept. 20	Reports conversation with M. Berthelot who stated that questions were discussed in general terms at Thoiry and considered M. Poincaré would support M. Briand's policy.	393
218	SIR E. HOWARD Washington No. 1196	Sept. 20	Reports conversation with Secretary of State on recognition of Soviet Govt.: considers pressure from American business interests to be unlikely.	394
219	MR. PHIPPS Paris Tel. No. 362	Sept. 21	Transmits communiqué on French Ministerial meeting on Thoiry conversation and discusses attitude French officials wished British press to adopt.	395
220	MR. PHIPPS Paris Tel. No. 363	Sept. 23	Reports unfortunate impression made on French press by Dr. Stresemann's remarks on Sept. 21 regarding German war guilt.	396

	NO. AND NAME	DATE	MAIN SUBJECT	PAGE
221	VISCOUNT CECIL Geneva	Sept. 24	Memorandum recording conversation with U.S. Minister at Berne regarding British and U.S. policy on naval disarmament and French reaction thereto.	396
222	VISCOUNT D'ABERNON Berlin Tel. No. 261	Sept. 26	Reports interview on Sept. 25 with Dr. Stresemann regarding his visit to Geneva and conversation with M. Briand, especially on possible mobilization of German railway bonds to French benefit and disarmament.	398
223	VISCOUNT D'ABERNON Berlin Tel. No. 262	Sept. 27	Refers to No. 222 and warns of dangers of conversations such as that at Thoiry if financial questions are involved.	399
224	TO MR. PHIPPS Paris No. 2756	Sept. 27	Instructions to submit to Conference of Ambassadors British views as set out in letter of Sept. 17 to War Office on future handling of technical violations of demilitarized zone of Rhineland by Reichswehr detachments.	400
225	VISCOUNT D'ABERNON Berlin No. 667	Sept. 27	Summarizes financial operation contemplated at Thoiry conversation involving £70 million of German railway bonds.	403
226	MR. PHIPPS Paris Tel. No. 368	Sept. 28	Reports views of M. Berthelot on progress in Franco-German <i>rapprochement</i> and reactions of M. Poincaré and French public opinion.	404
227	FRENCH AMBASSADOR London	Sept. 28	Verbal statement made to Sir W. Tyrrell regarding M. Briand's conversation with Dr. Stresemann and consultation with France's allies.	404
228	FRENCH AMBASSADOR London	Sept. 28	Verbal statement made to Sir W. Tyrrell requesting H.M.G. to support possible Franco-Belgian-Italian representations to U.S. Govt. regarding mobilization of German railway bonds.	405
229	TO MR. PHIPPS Paris Tel. No. 241 TO VISCOUNT D'ABERNON Berlin Tel. No. 112.	Sept. 29	Refers to Nos. 217 and 222: instructions to enquire regarding reported statement by Dr. Stresemann that M. Briand would bargain regarding Rhineland, Saar and Eupen-Malmédy in return for German payments to France and Belgium.	406
230	VISCOUNT D'ABERNON Berlin Tel. No. 264	Sept. 29	Refers to No. 222 and reports statement by Herr von Schubert on discussions at Thoiry on evacuation of Rhineland and Saar, financial questions and Eupen-Malmédy: Herr von Schubert also gave his impressions of League.	407
231	MR. SARGENT Foreign Office	Sept. 29	Record of conversation with German Chargé d'Affaires whose statement in No. 198 regarding winding up of military control was controverted.	408
232	MR. PEROWNE Foreign Office	Sept. 29	Memorandum arguing against the mobilization of the French share of the German railway mortgage bonds created by the Dawes Plan.	408

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233	VISCOUNT D'ABERNON Berlin Tel. No. 265	Sept. 30	Refers to Nos. 229-30: considers no agreement was reached by MM. Briand and Stresemann at Thoiry regarding evacuation of Rhineland and German financial assistance to France.	411
234	MARQUESS OF CREWE Paris Tel. No. 371	Sept. 30	Refers to No. 229: evacuation of Rhineland and return of Saar to Germany were discussed at Thoiry, but French Government consider that agreement cannot be reached hastily.	412
235	SIR A. CHAMBERLAIN Leghorn Tel. Unnumbered	Oct. 1	Message for Sir W. Tyrrell recording conversation on Sept. 30 with Signor Mussolini regarding Thoiry conversation, proposed Italian-German treaty, Tangier, British-Italian relations in Albania and Arabia, Italian policy in the Balkans and towards U.S.S.R. and China, and importance of British-Italian co-operation.	413
236	VISCOUNT D'ABERNON Berlin Tel. No. 268	Oct. 1	Discusses opposition in Germany to proposed mobilization of German railway bonds and attitude of American bankers.	414
237	TO MARQUESS OF CREWE Paris	Oct. 1	Letter from Sir W. Tyrrell transmitting briefing material for Sir A. Chamberlain regarding the Thoiry conversation and unfavourable views of Treasury on financial operation discussed there.	415
238	SIR A. CHAMBERLAIN Paris	Oct. 2	Memorandum recording conversation with M. Briand who gave an account of his conversation with Dr. Stresemann (cf. Nos. 227 and 234) and assurance that British interests would not be injured by any Franco-German arrangement: M. Briand stressed that no decisions had been taken and that H.M.G. would be kept informed.	418
239	TO VISCOUNT D'ABERNON Berlin Tel. No. 114	Oct. 4	Indicates results of conversations with Signor Mussolini and M. Briand and transmits message to Dr. Stresemann regarding future co-operation.	421
240	SIR C. MENDEL Paris	Oct. 5	Letter to Sir W. Tyrrell commenting on reactions in France to Thoiry conversation and its effect on Franco-German relations.	421
241	VISCOUNT D'ABERNON Berlin Tel. No. 273	Oct. 7	Reports conversation on Oct. 6 with Dr. Schacht of Reichsbank regarding possible mobilization of German railway bonds.	424
242	VISCOUNT D'ABERNON Berlin Tel. No. 274	Oct. 7	Reports reactions in Germany to resignation of Gen. von Seeckt as Chef der Heeresleitung.	424
243	SIR A. CHAMBERLAIN Foreign Office	Oct. 7	Minute regarding Italian desire to be treated as a great power and need to retain Italian co-operation with British policy.	425
244	SIR G. GRAHAME Brussels No. 943	Oct. 7	Reports explanations regarding international steel cartel convention signed on Sept. 30 given to Mr. Bagge by M. Mayrisch of Luxembourg.	426

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245	SIR W. MAX MULLER Warsaw No. 511	Oct. 8	Reports conversation with M. Zaleski who stated Poland would not restore Danzig and Polish Corridor to Germany.	427
246	SIR W. MAX MULLER Warsaw Tel. No. 135	Oct. 9	Reports conversation on Oct. 8 with M. Zaleski regarding Polish attitude to Soviet-Lithuanian treaty of Sept. 28, 1926.	428
247	VISCOUNT D'ABERNON Berlin No. 685	Oct. 9	Comments on views expressed by Mr. Parker Gilbert to Mr. Finlayson on Oct. 4 regarding possible financial results of Thoiry conversation.	429
248	VISCOUNT D'ABERNON Berlin Tel. No. 277	Oct. 10	Refers to No. 239 and reports conversation on Oct. 9 with Dr. Stresemann regarding financial proposals discussed at Thoiry and desirability of future conversations on Locarno basis.	430
249	TO SIR R. HODGSON Moscow No. 752	Oct. 11	Records conversation with M. Krassin regarding possibility of improving Anglo-Soviet relations and Polish policy to U.S.S.R.	431
250	SIR R. HODGSON Moscow Tel. No. 230	Oct. 12	Comments on effects of dissensions in Communist Party on situation in U.S.S.R.	434
251	TO SIR W. MAX MULLER Warsaw Tel. No. 52	Oct. 12	Comments on Polish attitude to U.S.S.R. reported in No. 246 and summarizes passage in No. 249 regarding Soviet-Polish relations.	435
252	TO MARQUESS OF CREWE Paris No. 2881	Oct. 12	Records conversation with French Ambassador regarding mistaken <i>démarche</i> by German representative who informed Reparation Commission that Franco-German financial negotiations were taking place.	436
253	TO MR. ADDISON Berlin No. 1313	Oct. 14	German Ambassador has repeated message from Dr. Stresemann in No. 248 regarding Thoiry conversation and agreed that international relationships had improved.	437
254	TO SIR R. GRAHAM Rome No. 1400	Oct. 14	Records conversation with Italian Chargé d'Affaires regarding Thoiry and Leghorn conversations, possible Anglo-Italian conference on Red Sea questions and Soviet-Polish relations.	438
255	ITALIAN CHARGÉ D'AFFAIRES London	Oct. 14	Signor Mussolini's record of his conversation with Sir A. Chamberlain at Leghorn on Sept. 30 regarding Thoiry conversation, Morocco and Tangier, Albania, the Balkans and Turkey, and Italian relations with the Yemen.	440
256	TO M. DE FLEURIAU London	Oct. 14	Letter from Sir A. Chamberlain referring to No. 252 and transmitting in reply to No. 228 <i>aide-mémoire</i> explaining objections to approaching U.S. Govt. about issue of German railway bonds.	444
257	MR. HOLMAN Paris	Oct. 14	Letter to Mr. Troutbeck transmitting letter of Oct. 13 from Military Attaché to War Office commenting on reports by	445

NO. AND NAME	DATE	MAIN SUBJECT	PAGE
		Allied Military Committee of Versailles relating to outstanding questions of German disarmament, especially associations, fortifications at Königsberg, and police.	
258 To MARQUESS OF CREWE Paris No. 2940	Oct. 18	Refers to No. 257 and transmits instructions on attitude to be adopted at Conference of Ambassadors on outstanding questions of German disarmament.	450
259 To MARQUESS OF CREWE Paris No. 2941	Oct. 18	Records conversation with French Ambassador regarding procedure for conversations on Spanish claims at Tangier and difficulties in following up Thoiry conversation.	452
260 MR. DODD Prague No. 307	Oct. 18	Reports on political situation in Czechoslovakia and inclusion of members of German parties in Govt.	453
261 MARQUESS OF CREWE Paris Tel. No. 381	Oct. 20	Reports meeting on Oct. 20 of Conference of Ambassadors which took decisions regarding German associations, high command, illegal enlistments, alienation of military establishments, and presence of members of German forces in the Luftstat (Air Council).	455
262 SIR R. HODGSON Moscow No. 769	Oct. 21	Discusses ill effects on Anglo-Soviet relations of campaign in U.K. to break off relations with Soviet Govt.	457
263 MR. PEROWNE Foreign Office	Oct. 21	Memorandum regarding effect of article 248 of Treaty of Versailles and provisions of Dawes Plan on German financial obligations overseas.	459
264 To MR. ADDISON Berlin Tel. No. 122	Oct. 23	Instructions on approaching German authorities on question of German coal exports to U.K. during coal strike in U.K.	464
265 MARQUESS OF CREWE Paris No. 1976	Oct. 23	Reports discussion at Conference of Ambassadors on Oct. 20 of text book on Reichswehr used by German associations.	465
266 MR. GREGORY Foreign Office	Oct. 24	Record of conversation on Oct. 20 with Soviet Chargé d'Affaires regarding difficulties in resuming negotiations for a financial and economic settlement between U.K. and U.S.S.R.	465
267 MR. TROUTBECK Foreign Office	Oct. 25	Memorandum regarding Hurst-Fromageot scheme for railway commission and military police in Saar.	468
268 MR. ADDISON Berlin Tel. No. 296	Oct. 28	Reports <i>démarche</i> by German representatives and views of Gen. Wauchope respecting settlement of German police questions.	469
269 To MARQUESS OF CREWE Paris No. 3035	Oct. 28	Refers to No. 261: instructions to inform Conference of Ambassadors that H.M.G. maintain view in No. 258 that no further representations should be made about German associations.	470
270 MARQUESS OF CREWE Paris No. 2034	Oct. 31	Refers to No. 269 and transmits draft resolution of Conference of Ambassadors relating to German associations.	471

	NO. AND NAME	DATE	MAIN SUBJECT	PAGE
271	TO MR. HOLMAN Paris Tel. No. 255	Nov. 1	Transmits amendment to draft note from Conference of Ambassadors to German Ambassador regarding alienation of excess military establishments.	473
272	TO SIR R. LINDSAY Berlin No. 1405	Nov. 2	Records conversation between German Ambassador and Sir W. Tyrrell on Oct. 29 regarding supervision of disarmament in Germany by League of Nations.	473
273	VISCOUNT CECIL London	Nov. 3	Memorandum regarding policy of British Empire on general disarmament.	474
274	SIR R. LINDSAY Berlin Tel. No. 302	Nov. 4	Refers to No. 287 and reports that Dr. Stresemann is considering making representations regarding termination of military control in Germany.	478
275	TO MARQUESS OF CREWE Paris No. 3109	Nov. 5	Reviews progress in questions of military control in Germany in past year and sets out proposals of H.M.G. for withdrawal of Commission of Control from Germany: transmits memo. of Oct. 29 by General Staff regarding outstanding questions of control in Germany.	479
276	MARQUESS OF CREWE Paris No. 2078	Nov. 6	Transmits letter No. 189 of Nov. 5 from Conference of Ambassadors to German Ambassador: assurances in No. 200 are insufficient to settle question of unauthorized military establishments; a programme of alienation should be drawn up in agreement with Commission of Control.	488
277	TO SIR R. LINDSAY Berlin Tel. No. 128	Nov. 8	Refers to Nos. 274-5: allows discretion to inform M.F.A. that military control situation is being reviewed in hope of early withdrawal of commission, but German Govt. must assist, especially regarding definition of war material.	489
278	MARQUESS OF CREWE Paris No. 2107	Nov. 9	M. Briand states that in talks with Herr von Hoesch in sequel to Thoiry conversation he stated evacuation of Rhineland depended on Germany and financial questions could not be settled <i>à deux</i> .	490
279	MARQUESS OF CREWE Paris	Nov. 10	Letter to Sir A. Chamberlain reporting conversation on Nov. 9 with M. Briand in execution of instructions in No. 275 regarding termination of military control in Germany: M. Briand hoped question could be settled at Geneva in Dec.	491
280	SIR R. LINDSAY Berlin Tel. No. 306	Nov. 11	Has spoken in sense of No. 277 regarding termination of military control to M.F.A. who hoped for speedy solution and agreement on League scheme of investigation.	492
281	TO MARQUESS OF CREWE Paris Tel. No. 265	Nov. 12	Instructions to propose to Conference of Ambassadors that German Govt. be informed that they should obtain permission of Conference before technically violating art. 43 of Treaty of Versailles and that entry of military musical bands into demilitarized zone is such a violation.	493

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282	SIR R. GRAHAM Rome No. 968	Nov. 12	Considers effects in Italy of law for the Defence of the State and reports assurances from Signor Bordonaro regarding its application to foreigners. Franco-Italian tension has eased in last few days.	494
283	SIR G. GRAHAME Brussels No. 1041	Nov. 12	Reports conversation with M.F.A. who was informed of views in No. 275 regarding termination of military control and stated he had discussed them with MM. Briand and Berthelot and agreed with them that a firm line should be taken with Germany.	496
284	MARQUESS OF CREWE Paris Tel. No. 396	Nov. 13	Reports meeting of Conference of Ambassadors when Secretary-General was authorized to negotiate with German Embassy on lines of No. 281 regarding musical bands in demilitarized zone, memo. in execution of No. 258 regarding Königsberg fortifications was discussed and question referred to Drafting Committee, and it was agreed to register German Air Agreement of May 1926 with League of Nations.	498
285	TO MR. HOLMAN Paris	Nov. 13	Letter from Mr. Troutbeck transmitting notes by General Wauchope of a conversation on Nov. 8 with General von Pawlesz and Dr. Forster regarding settlement of final points of military control.	499
286	MR. HOLMAN Paris	Nov. 14	Letter to Mr. Sargent referring to No. 284 and reporting more fully discussion at Conference of Ambassadors regarding fortifications at Königsberg. French Govt. takes serious view of infraction of art. 180 of Treaty of Versailles: it is hoped soon to settle questions of military control in Hungary.	502
287	TO MARQUESS OF CREWE Paris No. 3185	Nov. 15	Refers to No. 275 and considers means of obtaining early termination of military control in Germany: instructions to be guided by views in enclosed notes No. 71 of Nov. 2 by Gen. Wauchope: transmits notes No. 72 reporting conversation on Nov. 3 between Gen. Wauchope and Dr. Stresemann on military control.	504
288	TO SIR R. GRAHAM Rome No. 1581	Nov. 15	Refers to No. 282 and explains reasons why further intervention to ease Franco-Italian tension might be unwise.	509
289	SIR R. GRAHAM Rome Tel. No. 237	Nov. 16	Refers to No. 282 and reports conversation regarding Franco-Italian relations with Signor Mussolini who intends to make conciliatory statement but hinted at Italian ambitions in Eastern Mediterranean.	510
290	MARQUESS OF CREWE Paris No. 2174	Nov. 17	Transmits note of Nov. 16 from M. Briand agreeing generally with views in No. 275 regarding withdrawal of Commission of Control from Germany, but expressing reserves regarding transfer of supervision to League of Nations and question of German associations.	511

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291	SIR R. LINDSAY Berlin	Nov. 17	Letter to Mr. Sargent discussing difficulties likely to prevent withdrawal of Commission of Control in 1926 and attitude of French and German Govts.	513
292	TO SIR G. GRAHAME Brussels No. 858	Nov. 19	Records conversation with Belgian Ambassador regarding developments from the Thoiry conversation, termination of military control in Germany, numbers of troops in Rhineland, duration of occupation and Kaiser's possible return to Germany.	514
293	TO SIR R. LINDSAY Berlin Tel. No. 130	Nov. 22	Refers to Nos. 280 and 290: records conversation on Nov. 18 between Sir W. Tyrrell and German Ambassador regarding early termination of military control: instructions to inform Dr. Stresemann that German Govt. should indicate that satisfaction is being given on outstanding points, especially regarding associations.	516
294	TO MARQUESS OF CREWE Paris No. 3249	Nov. 22	Refers to No. 284: instructions to explain to Conference of Ambassadors views of H.M.G. regarding standing of Commission of Control in Germany in relation to fortifications on Germany's eastern frontiers.	517
295	TO VISCOUNT CHILSTON Vienna No. 453	Nov. 22	Records conversation with Austrian Minister regarding Austrian membership of League Committees and discovery of unauthorized war material in Austria.	518
296	MARQUESS OF CREWE Paris No. 2223	Nov. 23	Transmits record of conversation on Nov. 19 between M. Massigli and Dr. Forster of German Ministry of Foreign Affairs on outstanding questions of military control in Germany.	519
297	MR. SARGENT Foreign Office	Nov. 23	Memorandum respecting application of scheme for investigations by the League of Nations under article 213 of the Treaty of Versailles in relation to withdrawal of Commission of Control from Germany.	521
298	SIR R. LINDSAY Berlin Tel. No. 309	Nov. 24	Has spoken to M.F.A. as instructed in No. 293 regarding disarmament and especially regarding associations: comments on Dr. Stresemann's political need to secure termination of control and difficulty of dissolving associations.	523
299	SIR R. LINDSAY Berlin Tel. No. 310	Nov. 24	Refers to No. 298: M.F.A. requests Sir A. Chamberlain's views on possible meeting of Locarno powers to settle control questions: considers control question cannot be settled in isolation.	524
300	TO MARQUESS OF CREWE Paris Tel. No. 269	Nov. 25	Considers French reaction to Dr. Forster's visit (see No. 296) is hopeful: instructions to communicate to Conference of Ambassadors memo. on procedure for settling control questions and memo. by General Staff in No. 275.	525

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301	MARQUESS OF CREWE Paris No. 2249	Nov. 25	Transmits note from M. Briand, further to No. 290, agreeing with British views in No. 275 on withdrawal of Commission of Control from Germany but setting out seven questions on which satisfaction should be required from German Govt.	526
302	TO SIR R. GRAHAM Rome Tel. No. 273	Nov. 26	Signor Mussolini's reference to Syria in No. 289 should not be taken up: Italian claim can receive no countenance from H.M.G.	530
303	TO SIR R. LINDSAY Berlin Tel. No. 133	Nov. 26	Instructions to inform Dr. Stresemann that proposal in No. 299 for meeting of Locarno Powers can be discussed at Geneva.	530
304	TO MR. PHIPPS Paris	Nov. 26	Letter from Sir W. Tyrrell arguing against proposal by M. Berthelot for withdrawal of Commission of Control from Germany by March 1 on certain conditions.	531
305	TO MARQUESS OF CREWE Paris Tel. No. 273	Nov. 27	Transmits views on French memo. in No. 301 on control questions as guidance for British representatives in Paris.	532
306	MEETING OF CONFERENCE OF AMBASSADORS Paris No. C.A. 305	Nov. 27	Discussion of (1) procedure for settling outstanding questions of military control in Germany; (2) the recruiting of officers for the Hungarian army; (3) effectives of the Hungarian army; (4) organization of the single state armaments factory in Hungary.	534
307	SIR R. LINDSAY Berlin Tel. No. 311	Nov. 28	Views in No. 303 on meeting of Locarno powers were communicated on Nov. 27 to Herr von Schubert who stated that H.M.G. must be represented at Franco-German talks.	542
308	MR. HOLMAN Paris	Nov. 30	Letter to Mr. Sargent reporting conversations with Dr. Forster regarding German associations and with M. Massigli regarding associations, German eastern fortifications, and war material: transmits letter of Nov. 28 from Gen. Walch (Berlin) to M. Massigli regarding German desire for rapid settlement of war material question at Paris.	543
309	SIR R. GRAHAM Rome Tel. No. 242	Dec. 1	Comments on Italian memo. of Nov. 29 expressing general agreement with British views in No. 275 regarding termination of military control in Germany.	546
310	TO MARQUESS OF CREWE Paris Tel. No. 276	Dec. 1	Message for Mr. Holman from Mr. Sargent referring to No. 308: war material question should be settled by Commission of Control, not in Paris.	546
311	TO MARQUESS OF CREWE Paris No. 3340	Dec. 1	Refers to No. 306: doubts advisability of negotiations in Paris on German military control questions: sets out views of H.M.G. on questions of associations and eastern fortifications.	547

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312	TO SIR R. GRAHAM Rome No. 1682	Dec. 1	Records interview with Italian Ambassador who announced signature of Albanian-Italian Treaty of Tirana of Nov. 27 and was warned of danger of Italian policy being misconstrued.	548
313	MARQUESS OF CREWE Paris No. 2283	Dec. 1	Transmits opinion by committee of legal advisers on legality of fortification works on Germany's eastern frontiers with minute by Mr. Malkin commenting on this opinion.	549
314	MR. HOLMAN Paris	Dec. 1	Letter to Mr. Sargent referring to No. 310 regarding war material: M. Massigli has telephoned accordingly to Gen. Walch: has urged on Dr. Forster that his Govt. should make concession regarding police: reports latest developments regarding associations, illegal enlistments and Königsberg fortifications.	552
315	MR. SEEDS Durazzo Tel. No. 54	Dec. 3	Reports conversation on Dec. 2 with Albanian President who requested advice of H.M.G. regarding Treaty of Tirana: warns that Treaty appears to grant Italy dangerous rights in Albania.	554
316	MARQUESS OF CREWE Paris Tel. No. 404	Dec. 3	Reports meeting on Dec. 3 of Conference of Ambassadors which considered questions relating to German associations, the legal position regarding illegal enlistments and fortifications at Königsberg, German police and alleged violation by Austrian Govt. of provision of Treaty of St. Germain regarding war material.	555
317	MR. GREGORY Foreign Office	Dec. 3	Memorandum discussing proposal by Mr. Ramsay MacDonald for tackling Soviet Govt. regarding propaganda and reaching a settlement with them on outstanding questions with a view to an economic agreement.	559
318	SIR A. CHAMBERLAIN Paris	Dec. 3	Letter to Sir W. Tyrrell recording conversations with M. Briand regarding Italian and Soviet policy, outstanding questions of military control in Germany, British policy in China and developments from the Thoiry conversation: also records conversation on general policy with M. Poincaré.	560
319	SIR W. TYRRELL Foreign Office	Dec. 4	Memorandum referring to No. 317 and expressing agreement with policy towards Soviet hostility there outlined.	563
320	VISCOUNT CECIL Geneva	Dec. 4	Memorandum regarding report to committee of Council of League by M. de Brouckère on article 16 of Covenant: committee has referred preparation of report on article 11 to drafting committee including Lord Cecil.	564

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321	MR. KENNARD Belgrade Tels. Nos. 151-2	Dec. 5	Reports conversation on Dec. 4 with King of Serb-Croat-Slovene State who feared war with Italy on Albanian question: suggests conclusion of Albanian-S.C.S.-Italian pact.	566
322	TO SIR R. HODGSON Moscow Tel. No. 252	Dec. 6	Requests opinion whether Soviet Govt. would attend Disarmament Conference if Swiss Govt. gave way in dispute between Govts. about murder of M. Vorovsky in 1923.	567
323	SIR A. CHAMBERLAIN Geneva No. 46 L.N.C.	Dec. 6	Records conversation with Dr. Stresemann who stated M. Chicherin had alleged H.M.G. proposed that Polish Corridor and Danzig should become German and Poland should acquire Memel: possible Turkish membership of the League of Nations was also mentioned.	568
324	SIR A. CHAMBERLAIN Geneva No. 71 L.N.C.C.	Dec. 6	Transmits record by Lord Cecil of a conversation on Dec. 5 with MM. Briand and Paul-Boncour regarding difficulties facing Preparatory Commission for the Disarmament Conference in Mar. 1927 in respect of limiting naval strength by total tonnage, including trained reserves in military strength, treating commercial aircraft as part of air force and supervision.	569
325	SIR R. LINDSAY Berlin No. 820	Dec. 6	Discusses distinction between military and political associations in Germany and transmits survey of development of movement.	572
326	SIR A. CHAMBERLAIN Geneva	Dec. 6	Letter to Sir W. Tyrrell recording conversations with M. Vandervelde regarding Belgian representation at discussions on Rhineland and with Dr. Stresemann regarding difficulties of implementing financial proposals discussed at Thoiry and supervision by League of demilitarization of Rhineland.	578
327	SIR A. CHAMBERLAIN Geneva	Dec. 6	Letter to Sir W. Tyrrell recording conversation with Dr. Stresemann regarding Gen. von Seeckt's resignation and possibility of Polish attack on Germany.	580
328	TO MR. KENNARD Belgrade Tel. No. 71	Dec. 7	Refers to No. 321: instructions to urge S.C.S. M.F.A. not to take tragic view of Treaty of Tirana: suggestion for tripartite pact must be pursued with caution.	581
329	TO SIR R. GRAHAM Rome Tel. No. 284	Dec. 7	Authority to speak to Signor Mussolini on same lines as Sir W. Tyrrell spoke to Italian Chargé d'Affaires on Dec. 6 regarding desirability of Italian statement that S.C.S. adherence to Treaty of Tirana would be welcomed.	582
330	TO MARQUESS OF CREWE Paris Tel. No. 280	Dec. 7	Refers to No. 316: authority to accept any Franco-German agreement on question of fortifications on southern and eastern frontiers of Germany.	584

	NO. AND NAME	DATE	MAIN SUBJECT	PAGE
331	TO MARQUESS OF CREWE Paris Tel. No. 281	Dec. 7	Refers to No. 333 and enquires regarding procedure for settling six outstanding questions of German disarmament: H.M.G. attach importance to question of war material only.	584
332	MR. HAMILTON-GORDON Foreign Office	Dec. 7	Memorandum setting out arguments against breaking off relations with Soviet Govt.	585
333	SIR A. CHAMBERLAIN Geneva No. 49 L.N.C.	Dec. 7	Transmits notes of a meeting on Dec. 6 of representatives of Locarno powers who agreed to send instructions to Paris and Berlin to reach agreement on termination of military control in Germany and to instruct legal advisers to prepare formula on application of League scheme of investigation especially in Rhineland.	586
334	SIR R. LINDSAY Berlin No. 825	Dec. 7	Reports reactions in Germany to article in <i>Manchester Guardian</i> of Dec. 3 regarding military co-operation between Germany and U.S.S.R.	593
335	MR. HOLMAN Paris	Dec. 7	Letter to Mr. Troutbeck (Geneva) referring to No. 333 and reporting conversation with Dr. Forster who stated question of German associations was nearly settled but there was deadlock on war material: discusses situation regarding German fortifications and training in unauthorized weapons.	595
336	MR. LONDON Geneva Tel. No. 6 to Berlin Tel. No. 215 L.N. to F.O.	Dec. 8	Message from Sir A. Chamberlain referring to No. 339 and urging necessity for prompt settlement of question of military control in Germany.	598
337	MR. LONDON Geneva Tel. No. 216 L.N.	Dec. 8	Message from Sir A. Chamberlain referring to No. 336 and requesting help in solving question of military control in Germany.	598
338	SIR R. HODGSON Moscow Tel. No. 263	Dec. 8	Considers Soviet Govt. would accept invitation to Disarmament Conference if dispute with Switzerland were settled (cf. No. 322) but would remain suspicious of League of Nations.	598
339	TO MR. LONDON Geneva Tel. No. 109	Dec. 8	Refers to No. 333 and transmits tel. from Gen. Wauchope in Berlin to War Office regarding progress in police and war material questions: requests <i>démarche</i> to Dr. Stresemann regarding traffic in certain tools.	599
340	SIR R. LINDSAY Berlin Tel. No. 28 to Geneva Tel. No. 317 to F.O.	Dec. 8	Refers to No. 336 and reports conversation with official of German Ministry of Foreign Affairs regarding settlement of questions of military control, especially war material.	600
341	MARQUESS OF CREWE Paris Tel. No. 411	Dec. 8	Refers to No. 331 and reports position regarding settlement of six outstanding questions of military control in Germany.	600

	NO. AND NAME	DATE	MAIN SUBJECT	PAGE
342	To MR. LONDON Geneva Tel. No. 110	Dec. 9	Refers to No. 337: War Office lays stress on German acceptance of certain items of list of war material: suggests possible compromise settlement on question of military control.	602
343	MARQUESS OF CREWE Paris Tel. No. 413	Dec. 9	Reports meeting of Conference of Ambassadors on Dec. 9 which agreed on report to M.F.As. at Geneva on position in respect of seven outstanding questions of military control in Germany.	604
344	MR. HAMILTON-GORDON Foreign Office	Dec. 9	Memorandum giving information on recent acts hostile to H.M.G. ascribed to Soviet authorities.	607
345	RECORD OF MEETING Geneva	Dec. 10	Notes of meeting of representatives of Locarno Powers and Japan who discussed possible arbitration of questions of fortifications on German eastern and southern frontiers and war material, application of League scheme of investigation, date of withdrawal from Germany of Commission of Control, and composition of force to protect communications in the Saar.	612
346	MR. LONDON Geneva Tel. No. 220 L.N.	Dec. 10	Message from Sir A. Chamberlain to Mr. Baldwin and Sir L. Worthington-Evans requesting agreement to acceptance of arbitration on questions of German war material and frontier fortifications.	619
347	MR. LONDON Geneva Tel. No. 219 L.N.	Dec. 10	Message from Sir A. Chamberlain recording conversation on Dec. 9 with Serb-Croat-Slovene representative who was urged to seek tripartite pact with Italy and Albania: is alone in defending Italian policy towards Albania.	620
348	MR. LONDON Geneva Tel. No. 221 L.N.	Dec. 10	Message from Sir A. Chamberlain to Mr. Baldwin and Sir L. Worthington-Evans referring to Nos. 342 and 346 and repeating request for approval of arbitration on German war material and frontier fortifications.	621
349	To MR. LONDON Geneva Tel. No. 113	Dec. 10	Message for Sir A. Chamberlain from Sir W. Tyrrell referring to Nos. 342, 346 and 348, explaining War Office objections to arbitration on German war material and agreeing S. of S. should have discretion to make best possible agreement.	622
350	MR. GREGORY Foreign Office	Dec. 10	Memorandum discussing arguments, in diplomatic field, for and against breach of relations with U.S.S.R.: considers procedure for severing relations.	622
351	MARQUESS OF CREWE Paris No. 2365	Dec. 10	Transmits (i) proposal dated Dec. 9 from Gen. von Pawelsz for settlement of question of German frontier fortifications; (ii) message of Dec. 10 to M.F.As. at Geneva from Conference of Ambassadors explaining why this proposal is unsatisfactory,	627

NO. AND NAME	DATE	MAIN SUBJECT	PAGE
		transmitting letter from Conference to Gen. von Pawelsz and reporting latest position on other questions of military control.	
352 RECORD OF MEETING Geneva	Dec. 11	Notes of meeting of representatives of Locarno Powers and Japan who approved report by legal advisers on League scheme of investigation and agreed to settle questions of German frontier fortifications and war material by direct negotiation, or else by arbitration; it was suggested that Commission of Control should be withdrawn from Germany by Jan. 31, 1927, and Dr. Stresemann agreed that experts might be left at Berlin to deal with unexecuted points: the military force in the Saar was also discussed.	630
353 RECORD OF MEETING Geneva	Dec. 11	Notes of meeting of representatives of Locarno Powers and Japan when deadlock reached at Paris on questions of military control in Germany (see Nos. 351 and 354) was discussed.	637
354 MARQUESS OF CREWE Paris Tel. No. 416	Dec. 12	Reports meeting of Conference of Ambassadors on Dec. 10 when questions of military control in Germany, especially frontier fortifications, were discussed (cf. No. 351).	640
355 SIR A. CHAMBERLAIN Geneva No. 69 L.N.C.	Dec. 12	Transmits notes of meeting of representatives of Locarno Powers and Japan when agreement was reached on procedure for settling outstanding questions of military control in Germany, on replacement as from Jan. 31, 1927, of the Inter-Allied Military Commission of Control in Germany by supervision by the League of Nations, and on the posting of experts at Berlin to deal with unexecuted questions of disarmament.	642

CHAPTER III

Final negotiations relating to the withdrawal of the Inter-Allied Military Commission of Control from Germany: reactions to the Treaty of Tirana December 13, 1926–February 1, 1927

NO. AND NAME	DATE	MAIN SUBJECT	PAGE
356 MR. PHIPPS Paris Tel. No. 419	Dec. 13	Reports conversation with M. Berthelot regarding collaboration at Geneva between British and French M.F.As., political effects in France of Geneva conversations and probability of Germany's seeking arbitration on disarmament questions.	651

	NO. AND NAME	DATE	MAIN SUBJECT	PAGE
357	TO MR. KENNARD Belgrade Tel. No. 83	Dec. 14	Instructions to warn S.C.S. Acting M.F.A. against action towards Albania such as might lead to a rupture of relations.	651
358	MR. PHIPPS Paris Tel. No. 420	Dec. 14	Reports conversation with M. Berthelot who expressed anxiety regarding Albanian situation and stated Signor Mussolini would not agree to S.C.S. adherence to Treaty of Tirana.	652
359	MR. PHIPPS Paris Tel. No. 421	Dec. 15	Refers to Nos. 357-8 and reports conversation with M. Berthelot who stated that S.C.S. Govt. would not rupture relations with Albania and expressed fears regarding international consequences of Italy's Balkan policy.	654
360	MR. PHIPPS Paris No. 397	Dec. 15	Comments on political situation in France and especially of effect of relationship of MM. Briand and Poincaré on French policy to Germany.	655
361	TO SIR R. LINDSAY Berlin Tel. No. 137	Dec. 16	Instructions to urge Dr. Stresemann to submit his promised new proposals on German stocks of war material and frontier fortifications as soon as possible.	657
362	TO SIR R. GRAHAM Rome Tel. No. 299	Dec. 16	Refers to No. 358 and states that H.M.G. had no advance information that Treaty of Tirana was being negotiated; instructions to explain to Signor Mussolini that refusal to allow S.C.S. adherence to Treaty would embarrass H.M.G. in their policy of keeping peace in Balkans.	658
363	MR. TROUTBECK Foreign Office	Dec. 16	Memorandum explaining main criticisms by War Office and Inter-Allied Military Commission of Control in Germany of draft German law on import and export of war material.	659
364	SIR R. LINDSAY Berlin Tel. No. 323	Dec. 18	Refers to No. 361 and reports information from Herr von Schubert regarding action with a view to settling outstanding questions of military control.	662
365	SIR R. LINDSAY Berlin No. 841	Dec. 18	Discusses potential military value of German associations and their historical development in relation to the establishment of the German republic.	663
366	MR. ROBERTS Warsaw No. 668	Dec. 20	Reports conversation with Polish M.F.A. regarding proceedings at Geneva: M. Zaleski expressed uneasiness at decisions being taken by principal Locarno Powers and at continuing differentiation between eastern and western frontiers of Germany.	669
367	MARQUESS OF CREWE Paris No. 2440	Dec. 21	Transmits (i) note recording conversation on Dec. 20 between Dr. Forster and M. Massigli on settlement of outstanding questions of military control in Germany, especially frontier fortifications; (ii) German reply to legal advisers' note of Dec. 1 on interpretation of articles 180 and 196 of Treaty of Versailles (No. 313).	670

	NO. AND NAME	DATE	MAIN SUBJECT	PAGE
368	M. BRIAND Paris No. 218	Dec. 21	Note to German Ambassador at Paris setting out conditions on which Conference of Ambassadors agreed to settlement of question of German police whose effectives may total 140,000.	672
369	TO MR. PHIPPS Paris No. 3525	Dec. 22	Instructions for settling outstanding questions of military control in Germany: transmits views of War Office on attaching military experts to embassies in Berlin.	674
370	MR. SARGENT Foreign Office	Dec. 22	Memorandum discussing British policy on Albanian question and the dangers of H.M.G. appearing to have disinterested themselves.	675
371	TO MARQUESS OF CREWE Paris No. 3547	Dec. 23	Instructions to suggest to French Govt. terms of reply to be made by M. Massigli to Dr. Forster regarding No. 367: German Govt. should make proposals on war material and fortifications.	676
372	SIR R. GRAHAM Rome Tel. No. 275	Dec. 25	Reports conversation on Dec. 24 with Signor Mussolini when instructions in No. 362 were carried out. Signor Mussolini did not favour S.C.S. adherence to Treaty of Tirana and criticized policy of that Govt. but indicated that if he were approached again he would give S.C.S. State satisfactory assurances on Italian policy to Albania.	677
373	SIR R. GRAHAM Rome Tel. No. 278	Dec. 25	Transmits message from Signor Mussolini who stated Franco-Italian relations had improved and listed steps he had taken to achieve this.	679
374	MARQUESS OF CREWE Paris No. 2480	Dec. 28	Transmits report No. 557/1 of Dec. 23 from Allied Military Committee of Versailles to Conference of Ambassadors relating to points in draft German law on war material in dispute between Commission of Control and German Govt.	680
375	MARQUESS OF CREWE Paris Tel. No. 427	Dec. 29	Reports meeting of Conference of Ambassadors on Dec. 29 which (i) approved report relating to German war material in No. 374 and agreed on procedure for settlement of points in dispute; (ii) discussed procedure for withdrawal from Germany of Commission of Control and instructions to experts to be attached to embassies in Berlin.	686
376	SIR R. LINDSAY Berlin No. 867	Dec. 29	Reports on political situation in Germany and on events leading up to the fall of the Govt. of Dr. Marx on Dec. 17: discusses Social Democratic dissatisfaction with situation in Reichswehr, desire of German Nationalist party to enter govt. and unlikelihood of any change in German foreign policy.	688
377	TO MARQUESS OF CREWE Paris Tel. No. 297	Dec. 31	Refers to No. 375: instructions to arrange for representations to be made to German Govt. on making fresh proposals regarding war material.	693

NO. AND NAME	DATE	MAIN SUBJECT	PAGE
	1927		
378 MR. KENNARD Belgrade Tels. Nos. 1-2	Jan. 1	Reports conversation with S.C.S. M.F.A. who sought advice of H.M.G. regarding formalizing of declaration made to him by Italian Minister that Treaty of Tirana was not directed against his country.	693
379 SIR R. HODGSON Moscow No. 5	Jan. 1	Reports conversation with M. Litvinov to whom complaint was made of publication in <i>Izvestiya</i> , official organ of Soviet Govt., of cartoon insulting to Sir A. Chamberlain.	694
380 TO SIR R. GRAHAM Rome Tel. No. 2	Jan. 4	Discusses answer to be given to S.C.S. request in No. 378 for advice on approach to Italian Govt. in light of No. 372: requests views on consulting Signor Mussolini.	696
381 MR. PEROWNE Paris	Jan. 5	Letter to Mr. Troutbeck referring to No. 375 and reporting on preparation of instructions to military experts to be attached to embassies at Berlin.	697
382 MARSHAL FOCH Paris No. 7/1	Jan. 5	Letter to Gen. Walch (Berlin) referring to No. 355 and outlining instructions to be prepared regarding functions of experts to be attached to embassies at Berlin.	698
383 MARQUESS OF CREWE Paris No. 36	Jan. 6	Reports on French public opinion regarding German attitude on war material and eastern fortifications: suggests H.M.G. should hint to German Govt. that failure to settle these questions will affect evacuation of Rhineland.	699
384 LORD KILMARNOCK Coblenz No. 6	Jan. 7	Transmits record of conversation on Dec. 31 between Col. Ryan and Gen. Barthélemy of French army regarding limited value of military control in Germany and occupation of Rhineland.	701
385 SIR R. GRAHAM Rome No. 12	Jan. 7	Refers to No. 380 and reports conversations with Signor Grandi and on Jan. 6 with Signor Mussolini who was unwilling to open negotiations with S.C.S. Govt. on Treaty of Tirana.	704
386 TO GERMAN AMBASSADOR London	Jan. 8	Note explaining why H.M.G. do not consider Finance Acts of 1925-6 were discriminating against German exports to U.K. and inconsistent with protocol to Anglo-German Commercial Treaty of 1924.	706
387 TO SIR R. GRAHAM Rome	Jan. 10	Letter from Sir A. Chamberlain transmitting letter of Jan. 10 to Signor Mussolini regarding achievements of League of Nations.	709
388 TO MR. KENNARD Belgrade Tel. No. 3	Jan. 11	Refers to Nos. 378 and 385: instructions to inform S.C.S. M.F.A. of inopportuneness of negotiations with Italy regarding Treaty of Tirana and to urge him to avoid any provocation to Italy.	711
389 TO MARQUESS OF CREWE Paris Tel. No. 5	Jan. 11	Refers to Nos. 375 and 383: instructions to insist to French Govt. that negotiations on war material be transferred from Berlin to Paris to hasten progress.	712

	NO. AND NAME	DATE	MAIN SUBJECT	PAGE
390	MARQUESS OF CREWE Paris Tel. No. 7	Jan. 11	Refers to No. 375 and reports latest position in negotiations with German representatives on war material and eastern fortifications.	713
391	SIR R. LINDSAY Berlin Tel. No. 2	Jan. 12	Considers instructions to Gen. Walch in No. 382 regarding instructions to military experts in Berlin are contrary to agreement in No. 355.	715
392	TO SIR R. LINDSAY Berlin No. 62	Jan. 12	Refers to No. 383: instructions to warn Dr. Stresemann that unconciliatory German policy, especially on war material, eastern fortifications, recruiting for Reichswehr and in Rhineland could delay evacuation of occupied territory, more particularly if M. Briand fell from power.	716
393	TO MR. ROBERTS Warsaw No. 15	Jan. 12	Records conversation with Polish Minister who expressed concern lest Germany be allowed to keep new fortifications on eastern frontier and stated that remarks made by Herr von Schubert to M. Zaleski in Dec. regarding Polish Corridor were unconciliatory: it was suggested to M. Skirmunt that Germany feared Polish aggression.	719
394	MARQUESS OF CREWE Paris Tel. No. 9	Jan. 13	Refers to No. 389: reports conversation on Jan. 12 between Major Sherbrooke and Mr. Perowne and Gen. von Pawelsz and Dr. Forster on procedure for settling questions of eastern fortifications and war material: has addressed note to Conference of Ambassadors suggesting early transfer to Paris of war material negotiations.	721
395	TO SIR R. LINDSAY Berlin	Jan. 13	Letter from Sir A. Chamberlain referring to No. 392 and making additional point that German propaganda against Rhineland occupation has rendered impossible further approach to French Govt. in favour of evacuation.	722
396	MR. PEROWNE Paris	Jan. 13	Letter to Mr. Troutbeck referring to Nos. 382 and 391 and reporting action taken in respect of unsatisfactory instructions to Gen. Walch on procedure of military experts at Berlin.	723
397	TO MARQUESS OF CREWE Paris Tel. No. 7	Jan. 14	Refers to Nos. 381-2 and 391: instructions to inform representatives on Conference of Ambassadors that H.M.G. insist on amendment of letter to Gen. Walch on procedure of military experts at Berlin.	724
398	TO MARQUESS OF CREWE Paris Tel. No. 8	Jan. 14	Refers to Nos. 355 and 394: instructions to urge that Conference of Ambassadors invite German Govt. to resume diplomatic negotiations on war material in Paris on Jan. 19.	725
399	TO MR. ADDISON Berlin Tel. No. 4	Jan. 14	Refers to No. 398: instructions to urge German Govt. to agree to transfer of war material negotiations to Paris with a view to reaching settlement before Jan. 31.	726

	NO. AND NAME	DATE	MAIN SUBJECT	PAGE
400	SIR R. LINDSAY Berlin No. 22	Jan. 14	Refers to No. 392 and reports conversations on Jan. 12 and 14 with Dr. Stresemann and with Herr von Schubert on Jan. 14 regarding dangers to M. Briand's position and prospects of settling war material question: Dr. Stresemann defended conciliatory nature of German policy and explained conditions on which he would agree to entry of German Nationalist party into Govt.	726
401	TO MR. PEROWNE Paris	Jan. 14	Letter from Mr. Troutbeck confirming instructions in No. 397 with small additions as reply to No. 396 regarding cancellation of instructions in No. 382 on procedure of military experts at Berlin.	731
402	SIR R. LINDSAY Berlin Tel. No. 4	Jan. 15	Refers to No. 399 and advises deferring transfer of war material negotiations to Paris as progress is being made in Berlin.	731
403	TO MARQUESS OF CREWE Paris Tel. No. 13	Jan. 15	Instructions to defer action on No. 398 and inform Conference of Ambassadors that H.M.G. consider war material negotiations should continue at Berlin until Jan. 24.	732
404	SIR R. LINDSAY Berlin Tel. No. 5	Jan. 15	Reports publication of presidential decrees on recruiting for Reichswehr and relations of Reichswehr with associations.	732
405	MARQUESS OF CREWE Paris Tel. No. 13	Jan. 15	Has acted on No. 403: official at French Ministry of Foreign Affairs suggested war material negotiations should be transferred from Berlin to Paris on Jan. 21.	733
406	MARQUESS OF CREWE Paris No. 111	Jan. 15	Transmits proposals communicated by Gen. von Pawelsz on eastern fortifications of Germany.	733
407	MR. PEROWNE Paris	Jan. 16	Letter to Mr. Troutbeck reporting that Gen. Baratier has been informed of views in No. 397 on cancellation of instructions in No. 382 on procedure of experts at Berlin, but further action has been deferred pending reply from Gen. Walch: has informed M. Massigli who had not heard of the affair.	734
408	TO MARQUESS OF CREWE Paris Tel. No. 16	Jan. 18	Refers to No. 402: instructions to request M. Briand for greater French support on war material question in view of apparent German willingness to settle.	735
409	MARQUESS OF CREWE Paris Tel. No. 15	Jan. 18	Reports that Versailles Committee decided on Jan. 17 that German proposals on eastern fortifications in No. 406 were inadequate.	736
410	TO SIR R. HODGSON Moscow No. 41	Jan. 18	Records conversation on Jan. 14 between the Soviet Chargé d'Affaires and Mr. Gregory who stated that conversations on improving Anglo-Soviet relations were not opportune in view of Soviet hostility to H.M.G. especially in China.	736

	NO. AND NAME	DATE	MAIN SUBJECT	PAGE
411	TO SIR G. GRAHAME Brussels No. 39	Jan. 18	Records conversation with Belgian Ambassador regarding improvement in German attitude to occupying powers necessary before Rhineland could be evacuated.	738
412	MARQUESS OF CREWE Paris Tel. No. 18	Jan. 19	Has not acted on No. 408 because M. Briand had stated in conversation on Jan. 18 that he had sent instructions to Berlin to press German Govt. to be accommodating on war material.	739
413	TO MARQUESS OF CREWE Paris Tel. No. 18	Jan. 19	Refers to No. 412: French Govt. should be left in no doubt that H.M.G. expect greater support from them on war material question.	740
414	MARQUESS OF CREWE Paris No. 148	Jan. 19	Transmits explanation by Gen. von Pawelsz regarding German proposals on eastern fortifications.	740
415	SIR R. HODGSON Moscow No. 44	Jan. 19	Reports reactions of Soviet press to allegations regarding German war material factories in U.S.S.R. (cf. No. 334): considers there is some truth in reports but that no considerable scheme for German-Soviet co-operation in war industry is in progress.	741
416	MARQUESS OF CREWE Paris Tel. No. 19	Jan. 20	Mr. Phipps has spoken to M. Berthelot as instructed in No. 413 of need for French support on war material question: M. Berthelot stated that German proposals on eastern fortifications were unsatisfactory and that he had informed German Ambassador that German attitude had delayed possible evacuation of Rhineland.	743
417	TO MR. ADDISON Berlin No. 105	Jan. 20	Records conversation with Dr. Sthamer who stated that Dr. Stresemann considered representations in No. 400 suggested he was not loyal to Locarno, and transmits copy of instructions sent on Jan. 17 by Dr. Stresemann to Dr. Sthamer in defence of German policy.	744
418	ALLIED MILITARY COMMITTEE OF VERSAILLES Paris	Jan. 20	Note to Gen. von Pawelsz commenting favourably on explanations on eastern fortifications in No. 414 but requesting German acceptance of interpretation of Treaty of Versailles approved by Conference of Ambassadors on Dec. 3, 1926 (see No. 316).	751
419	MR. ADDISON Berlin	Jan. 20	Letter to Mr. Sargent referring to Nos. 392, 395, and 400: discusses German public opinion on foreign policy and on occupation of Rhineland in particular: explains difficulties faced by Dr. Stresemann in opposition of Govt. of Prussia to his Rhineland policy: suggests question of Polish Corridor may be raised with more determination.	751

	NO. AND NAME	DATE	MAIN SUBJECT	PAGE
420	MR. ADDISON Berlin Tel. No. 9	Jan. 22	Reports agreement on war material has been reached between Commission of Control and German negotiators.	760
421	TO MR. ADDISON Berlin Tel. No. 10	Jan. 24	Refers to Nos. 400 and 417 and maintains views in No. 392 on unconciliatory German policy: does not wish to renew controversy but representations should be made to Dr. Stresemann on negotiations on eastern fortifications.	761
422	SIR A. CHAMBERLAIN Foreign Office	Jan. 24	Memorandum setting out adverse effects on foreign relations and internal situation of a breach of relations with Soviet Govt.	762
423	MR. HOLMAN Paris	Jan. 24	Letter to Mr. Troutbeck transmitting report 33/A/11 (2729) of Jan. 22 from Gen. Clive to War Office regarding conversation on Jan. 21 with M. Massigli on need for forward step in negotiations on German eastern fortifications: draft proposals prepared by Gen. Clive and Gen. Baratier and handed to Dr. Forster on Jan. 22 are also enclosed.	765
424	MR. ADDISON Berlin Tel. No. 11	Jan. 25	Representations in accordance with No. 421 have been made to Herr von Schubert who stated that negotiations on German eastern fortifications were making progress.	768
425	MR. HOLMAN Paris	Jan. 26	Letter to Mr. Troutbeck transmitting (i) report 33/A/11 (2732) of Jan. 25 from Gen. Clive to War Office reporting conversations of Jan. 24-25 with M. Massigli, Gen. von Pawelsz and Dr. Forster on German fortifications and enclosing letter of Jan. 25 to Gen. Baratier from Gen. von Pawelsz referring to No. 418 and transmitting proposal for limiting future construction but preserving existing works in eastern frontier zone; (ii) draft letter from Allied Military Committee of Versailles to Conference of Ambassadors regarding the duties and working procedure of military experts to be attached to embassies at Berlin.	768
426	TO MARQUESS OF CREWE Paris No. 260	Jan. 27	Records conversation with French Ambassador who was informed that Mr. Churchill was perturbed by statement by M. Poincaré indicating delay in ratification of Anglo-French war debts agreement.	773
427	TO MARQUESS OF CREWE Paris Tel. No. 26	Jan. 28	Suggests Conference of Ambassadors should address note to German Govt. acquiescing on certain conditions in modification to German war material law to take account of cruiser <i>Salamis</i> under construction at German shipyard for Greek Govt.	774
428	SIR R. HODGSON Moscow No. 67	Jan. 28	Discusses reasons for war scare prevailing in U.S.S.R.	776

	NO. AND NAME	DATE	MAIN SUBJECT	PAGE
429	MR. HOLMAN Paris	Jan. 28	Letter to Mr. Troutbeck transmitting report 33/A/11 (2733) of Jan. 27 from Gen. Clive to War Office reporting on meeting on Jan. 26 between Allied Military Committee of Versailles and German representatives who gave explanations on proposals on frontier fortifications in No. 425 and were handed new draft proposals thereon by Marshal Foch.	779
430	MARQUESS OF CREWE Paris No. 257	Jan. 30	Transmits note of Jan. 28 from Allied Military Committee of Versailles to Conference of Ambassadors expressing generally favourable opinion of new German draft law on war material.	782
431	EXCHANGE OF NOTES Paris	Jan. 30-31	Exchange of notes between Herr von Hoesch and M. Briand settling questions at issue between Conference of Ambassadors and German Govt. regarding aviation material.	785
432	MARQUESS OF CREWE Paris Tel. No. 25	Jan. 31	Reports meeting on Jan. 31 of Conference of Ambassadors when German draft law on war material was approved except for one provision on naval material, and questions relating to German eastern fortifications, instructions to military experts to be attached to embassies at Berlin and cruiser <i>Salamis</i> were discussed.	786
433	H.M. EMBASSY Paris No. 73	Jan. 31	Note to Conference of Ambassadors setting out views of H.M.G. on procedure and duties of experts to be attached to embassies at Berlin.	789
434	EXCHANGE OF NOTES Paris	Jan. 31	Exchange of notes between M. Briand and Herr von Hoesch settling questions at issue between Conference of Ambassadors and German Govt. regarding military activities of German associations.	792
435	EXCHANGE OF NOTES Paris	Jan. 31	Exchange of notes between M. Briand and Herr von Hoesch settling questions at issue between Conference of Ambassadors and German Govt. regarding illegal recruiting into the Reichswehr.	795
436	AGREEMENT ON GERMAN FRONTIER FORTIFICATIONS Paris	Jan. 31	Agreement between Allied Military Committee of Versailles and Gen. von Pawelsz on system of fortifications on Germany's eastern and southern frontiers in light of articles 180 and 196 of Treaty of Versailles.	797
437	TO MR. ADDISON Berlin	Jan. 31	Letter from Mr. Sargent transmitting comments of Sir W. Tyrrell and Sir A. Chamberlain on No. 419 regarding German press campaign for evacuation of Rhineland.	799
438	MARQUESS OF CREWE Paris Tel. No. 26	Feb. 1	Reports meeting on Feb. 1 of Conference of Ambassadors when agreement on German frontier fortifications (No. 436) was completed, and it was decided to make reservation to German Govt. regarding	800

NO. AND NAME	DATE	MAIN SUBJECT	PAGE
		provision on naval material in war material law, and to prepare instructions for military experts at Berlin: question of withdrawal of military control from Hungary and Austria was also raised.	

CHAPTER IV

Correspondence relating to British policy on Middle Eastern Questions: conversations on British and Italian interests in the area of the Red Sea

June 9, 1926–February 10, 1927

NO. AND NAME	DATE	MAIN SUBJECT	PAGE
439 SIR R. LINDSAY Constantinople No. 280	June 9	Comments on attitude of Turkish M.F.A. to League of Nations during negotiation of Treaty of Angora on Iraqi-Turkish frontier, and reports conversation on June 7 with Ismet Pasha regarding possibility of Turkey's joining the League.	803
440 TO FRENCH AMBASSADOR London	July 6	Note from Sir A. Chamberlain regarding desirability of close Anglo-French co-operation in the Near East and attitude of H.M.G. towards King Ibn Saud of Hejaz and Nejd.	804
441 MR. NICOLSON Tehran Tel. No. 190	Aug. 11	Warns of likely resentment in Persia if Govt. of India took action to protect British lives and property in Duzdap and Mirjawa: urges that no warning should be given to Persian Govt. and action taken only in last resort.	805
442 TO MR. NICOLSON Tehran Tel. No. 117	Aug. 11	Instructions to warn Persian Govt. that if British lives in Duzdap and Mirjawa are threatened H.M.G. will take action if Persian Govt. do not: summarizes instructions to Govt. of India for minimum military intervention if necessary.	806
443 TO MR. NICOLSON Tehran Tel. No. 119	Aug. 12	Refers to Nos. 441–2 and grants discretion on warning Persian Govt. of possible British action to protect British lives in Duzdap and Mirjawa.	807
444 MR. NICOLSON Tehran Tel. No. 193	Aug. 13	Refers to Nos. 441–3: had already given verbal warning to M.F.A. on Aug. 12 regarding possible British action: considers Shah would never consent to it.	808
445 TO MR. WINOFIELD Rome No. 1257	Sept. 13	Transmits record of conversation on Sept. 9 between Sir W. Tyrrell and Italian Ambassador regarding Italian-Yemeni treaty of Sept. 2, 1926, and need for exchange of views with Italian Govt. on British and Italian interests in area of Red Sea.	809

	NO. AND NAME	DATE	MAIN SUBJECT	PAGE
446	TO MR. HOARE Constantinople No. 797	Sept. 14	Records conversation at Geneva with Turkish Minister at Bucharest regarding possible Turkish membership of League of Nations with seat on Council.	810
447	MR. NICOLSON Gulhek No. 486	Sept. 30	Reviews state of Anglo-Persian relations and discusses basis of British policy to Persia in light of present situation.	812
448	TO SIR R. GRAHAM Rome No. 1365	Oct. 8	Records conversation on Oct. 2 with M. Briand who stated that he had in reply to question informed Italian Ambassador in Paris that France would not necessarily oppose Italian ambitions in Asia Minor if Turkish Govt. broke up.	820
449	SIR P. LORAINÉ Foreign Office	Oct. 10	Memorandum discussing British policy to Persia and especially disadvantages of concluding agreement with U.S.S.R.	821
450	RECORD OF CONVERSATION Foreign Office	Oct. 11	Record of conversation between Sir A. Chamberlain and Emir Feisal of Hejaz regarding Italian-Yemeni treaty, situation in Syria, British relations with Asir and revision of treaty of 1915 between H.M.G. and Emir Ibn Saud.	824
451	TO MR. HOARE Constantinople No. 860	Oct. 15	Records conversation with Turkish Ambassador regarding Turkish relations with Italy and U.S.S.R. and advisability of Turkey's joining the League and improving treatment of foreigners in Turkey.	827
452	MR. OLIPHANT Foreign Office	Oct. 21	Memorandum discussing unsatisfactory position in Persia in respect of political situation, treatment of British interests, and relations between H.M. Legation and American Financial Mission.	829
453	MR. HOARE Constantinople No. 605	Nov. 14	Comments on report by Mr. Leeper of tour to Mersina, Smyrna and Rhodes and concludes Turkish suspicions of Signor Mussolini's policy are without basis: suggests Turkish and Soviet M.F.As.' meeting at Odessa does not indicate that close political understanding exists.	831
454	MR. CLIVE Tehran Tel. No. 235	Nov. 17	Shah stated on Nov. 16 that he wished to maintain most friendly relations with U.K.	832
455	SIR G. CLERK Angora Tel. unnumbered	Nov. 24	Reports cordial reception at presentation of credentials: President Kemal and M.F.A. stressed their desire for friendship with U.K.: Odessa meeting was not aimed at creation of new agreement with U.S.S.R.	834
456	TO SIR G. CLERK Constantinople No. 966	Nov. 26	Records conversation with Turkish Ambassador regarding treatment of foreign interests in Turkey, dangers to Turkey from Italy and U.S.S.R., possible Turkish membership of League, and H.M.G.'s unwillingness to undertake new obligations to Italy or Turkey.	834

	NO. AND NAME	DATE	MAIN SUBJECT	PAGE
457	TO MR. JORDAN Medina Tel. No. 2	Nov. 27	Instructions to inform King Ibn Saud of report from Cairo of anti-British activities of Soviet agency at Jeddah.	837
458	TO MR. CLIVE Tehran No. 537	Nov. 29	Refers to No. 447 and transmits guidance on interpreting H.M.G.'s policy of good relations with Persia and maintenance of British interests.	837
459	TO SIR G. CLAYTON Unnumbered	Dec. 28	Transmits instructions for use in discussions with Italian authorities on British and Italian interests in Southern Arabia and Red Sea: defines British interests in maintaining safety of Aden and communications with India and British relations with Arab rulers.	841
		1927		
460	SIR R. GRAHAM Rome Tel. No. 8	Jan. 12	Reports conversations on Jan. 11 on British and Italian interests in Red Sea area: suggests answer to possible enquiries from French colleague or press.	844
461	LORD LLOYD Cairo Tel. No. 7	Jan. 12	Reports conversation with Governor-General of Eritrea on Italian aims in conversations on Red Sea area: summarizes report of his anti-British activities in Asir.	845
462	SIR R. GRAHAM Rome Tel. No. 11	Jan. 13	Refers to No. 460 and reports meeting on Jan. 12 indicated Italian anxiety regarding relations between Asir and King Ibn Saud and desire for oil concessions in Farsan islands: suggests Asiatic Petroleum Company should allow Italian participation.	846
463	TO SIR R. GRAHAM Rome Tel. No. 15	Jan. 15	Refers to No. 460 and approves proposal to inform press and, if enquiries are made, French authorities, of conversations on Red Sea area: desirability of informing King Ibn Saud is under consideration.	847
464	TO MR. MAYERS Jeddah Tel. No. 2	Jan. 18	Instructions to inform King Ibn Saud that conversations on Red Sea have been undertaken to avoid possible misunderstandings and do not affect H.M.G.'s friendship for him.	848
465	TO SIR G. CLAYTON Unnumbered	Jan. 27	Considers results of conversations on Red Sea area and transmits instructions to obtain Italian acceptance of formula recognizing vital British interests and renouncing Italian political though not commercial ambitions there: defines British attitude to relations between King Ibn Saud and Asir and to Yemeni claims to Aden.	848
466	TO SIR G. CLERK Constantinople No. 71	Jan. 28	Records conversation with Turkish Ambassador regarding improved Anglo-Turkish relations, the Ottoman Public Debt, Mr. Churchill's conversations with Signor Mussolini, Turkish wish for Consul-General at Bagdad and move of British Embassy to Angora, and British denial of fomenting trouble among Turkish Kurds.	850

	NO. AND NAME	DATE	MAIN SUBJECT	PAGE
467	SIR E. HOWARD Washington No. 189	Jan. 28	Refers to Nos. 452 and 458 and reports conversation on Jan. 27 with Mr. Kellogg to whom memo. explaining British policy in Persia and attitude to American loan to Persia was communicated.	853
468	NOTES OF MEETING Rome	Jan. 31	Notes of meeting of British and Italian representatives regarding Red Sea area when instructions in No. 465 were carried out.	856
469	SIR G. CLAYTON Foreign Office	Feb. 10	Letter to Sir W. Tyrrell regarding agreed record of conversations with Italian representatives at Rome on British and Italian interests in Red Sea area: considers conversations had a good result.	860

CHAPTER V

Correspondence concerning British relations with the United States October 23, 1925–December 31, 1926

	NO. AND NAME	DATE	MAIN SUBJECT	PAGE
470	SIR E. HOWARD Washington No. 1556	Oct. 23	Reports reaction in United States to treaties agreed at Locarno and considers possibility of President Coolidge's convening a naval disarmament conference.	863
471	SIR E. HOWARD Washington Tel. No. 282	Oct. 26	Assistant Secretary of State Olds states claims arising out of blockade before U.S. entry into war will be presented shortly: requests authority to speak to Mr. Kellogg and President, and legal arguments for use with them.	865
472	TO SIR E. HOWARD Washington Tel. No. 235	Nov. 2	Instructions to impress on President lamentable effect of presentation of blockade claims on British public opinion: H.M.G. appreciated his approval of Locarno agreements and would be dismayed at Anglo-American controversy.	865
473	TO SIR E. HOWARD Washington No. 1750	Nov. 3	Records conversation with U.S. Ambassador with whom arguments in No. 472 against presentation of blockade claims were used: effect of such claims on belligerent rights at sea was explained to him: Mr. Houghton mentioned bad effects in Europe of American policy on war debts.	867
474	TO SIR E. HOWARD Washington	Nov. 4	Letter from Mr. Chamberlain commenting on Locarno negotiations and referring to views on blockade claims in Nos. 472-3: considers American proposal for conference on land and air disarmament at Washington would be badly received in Europe though H.M.G. would attend naval conference there: refers to British co-operation in preventing liquor smuggling into U.S.A.	869

	NO. AND NAME	DATE	MAIN SUBJECT	PAGE
475	SIR E. HOWARD Washington Tel. No. 302	Nov. 7	Refers to Nos. 471-3 and reports interview with President Coolidge and Mr. Kellogg who gave assurances that blockade claims would not be presented without consultation with H.M.G.	871
		1926		
476	SIR E. HOWARD Washington Tel. No. 8	Jan. 7	Reports conversation regarding Anglo-American claims with Mr. Kellogg who stated U.S. blockade claims were in separate category: discusses likelihood of U.S. Govt. waiving blockade claims and advises H.M.G. to propose immediate direct negotiations to settle intergovernmental claims.	873
477	SIR E. HOWARD Washington No. 184	Feb. 4	Reports conversation with Mr. Kellogg on direct settlement of intergovernmental claims and possibility of waiving of blockade claims by U.S. Govt.	875
478	SIR C. HURST Foreign Office	Feb. 27	Memorandum discussing U.S. membership of the Permanent Court of International Justice and reservations laid down by the Senate.	876
479	TO SIR E. HOWARD Washington Tel. No. 59	Mar. 26	Instructions to speak again in light of Senator Borah's resolution on claims to Mr. Kellogg on lines of No. 473 regarding bad effects on British public opinion of presentation of blockade claims.	879
480	SIR E. HOWARD Washington Tel. No. 81	Mar. 29	Reports interview with President Coolidge to whom arguments in Nos. 473 and 475 against presentation of blockade claims were repeated: President was friendly, suggested preliminary examination of claims but gave no definite assurances.	880
481	SIR E. HOWARD Washington Tel. No. 82	Mar. 30	Has spoken to Mr. Kellogg on same lines as to President on blockade claims: Mr. Kellogg insisted on joint examination of claims by commission, but Mr. Phenix proposed classification and reduction of claims by State Dept. with subsequent official discussions in London: Mr. Kellogg did not favour immediate settlement of intergovernmental debts.	881
482	SIR E. HOWARD Washington Tel. No. 89	Apr. 8	Refers to No. 481 and reports interview on Apr. 7 with Mr. Kellogg who presented memo. proposing examination and informal discussion of blockade claims.	882
483	SIR E. HOWARD Washington No. 593	Apr. 9	Reports unfavourable reactions to Mr. Churchill's speech on Mar. 24 regarding war debts but expresses hope that discussions on reduction of payments to U.S. may be feasible in future if question is left alone at present.	883
484	TO SIR E. HOWARD Washington Tel. No. 70	Apr. 10	Instructions to thank President for sympathetic reception of representations on blockade claims and to investigate informally with State Dept. nature of claims: H.M.G. will not accept blockade claims	885

NO. AND NAME	DATE	MAIN SUBJECT	PAGE
		and oppose commission on claims: pork packers' claim has been settled and H.M.G. are not liable in Standard Oil's claim respecting destruction in Roumania: H.M.G. think discussions in London would lead to undesirable publicity.	
485 To SIR E. HOWARD Washington Tel. No. 84	Apr. 23	Refers to No. 482 and expresses appreciation of U.S. memo. on blockade claims: repeats views in No. 484 on preference for informal examination of claims in Washington.	887
486 SIR E. HOWARD Washington Tel. No. 140	May 17	Has thanked President as instructed in No. 484 and repeated suggestion in No. 480 for classification of claims by State Dept.: President retained friendly attitude.	888
487 To SIR E. HOWARD Washington Tel. No. 109	May 22	U.S. Ambassador states Anglo-American claims must be dealt with as a whole: instructions to ascertain which British claims require U.S. legislation for settlement.	888
488 SIR E. HOWARD Washington Tel. No. 174	June 7	Reports conversation on June 5 with Mr. Kellogg who aims at settlement of agreed Anglo-American claims by informal discussion before next session of Congress.	889
489 To SIR E. HOWARD Manchester, Mass. Tel. No. 133	June 16	Refers to No. 488 and appreciates Mr. Kellogg's sincerity regarding claims: agrees Mr. Phenix and Mr. Broderick should come to London to complete examination of claims: maintains views on blockade claims.	890
490 To SIR E. HOWARD Manchester, Mass. Tel. No. 154	July 18	Refers to Mr. Kellogg's reply to Senator Borah (see No. 479): instructions to make clear to him that H.M.G. will not arbitrate blockade claims.	891
491 SIR E. HOWARD Manchester, Mass. No. 1310	July 20	Transmits comments on statements by U.S. Secretary of the Treasury on the settlement of the French war debt to H.M.G. and on U.S. policy on war debts.	892
492 To SIR E. HOWARD Washington No. 1103	Aug. 20	Sets out, for use in press statement if necessary, reasons why H.M.G. cannot arbitrate U.S. blockade claims.	894
493 MR. CHILTON Washington No. 1626	Oct. 8	Discusses policy of U.S. Administration on membership of the Permanent Court of International Justice in light of report by Committee of League of Nations.	896
494 MR. CHILTON Washington No. 1751	Nov. 5	Refers to appointment of first Canadian Minister at Washington and discusses attitude of United States to Great Britain.	897
495 MR. CHILTON Washington Tel. No. 277	Nov. 18	Transmits message from Mr. Vansittart to Sir W. Tyrrell reporting that atmosphere is favourable for settlement of Anglo-American claims.	900

NO. AND NAME	DATE	MAIN SUBJECT	PAGE
496 MR. CHILTON Washington Tel. No. 278	Nov. 18	Transmits message from Mr. Vansittart to Sir W. Tyrrell referring to No. 495 and reporting conversation with Assistant Secretary of State Olds who proposed formula for settling claims whereby H.M.G. would pay £500,000.	901
497 MR. CRAIGIE Foreign Office	Nov. 19	Memorandum discussing developments in the blockade claims question since Mr. Phenix and Mr. Broderick started work in London on Sept. 1.	903
498 MR. CHILTON Washington No. 1844	Nov. 26	Comments on reactions in U.S. to report of Inter-Imperial Relations Committee of Imperial Conference under chairmanship of Lord Balfour.	905
499 To MR. CHILTON Washington No. 1554	Nov. 29	Records interview with U.S. Ambassador regarding proposal in No. 496 for settlement of claims, adherence of U.S. to Permanent Court, British policy on oil nationalization in Mexico, and the situation in China.	907
500 To MR. CHILTON Washington Tel. No. 267	Nov. 30	Transmits message for Mr. Vansittart referring to No. 496 and setting out modifications required to make formula on claims acceptable to H.M.G.	910
501 MR. CHILTON Washington Tel. No. 293	Dec. 6	Transmits message from Mr. Vansittart reporting discussion with Col. Olds of amendments in No. 500 to American formula on claims, and explaining settlement reached.	913
502 SIR E. HOWARD Washington Tel. No. 332	Dec. 29	Reports conversation with Mr. Kellogg on Dec. 24 and subsequent conversation between Mr. Broderick and Col. Olds on timing of exchange of notes on war claims and consultations with Senator Borah.	917
503 To SIR E. HOWARD Washington Tel. No. 311	Dec. 31	Instructions to avoid consulting Senator Borah on claims settlements: H.M.G. expect State Dept. to secure necessary assents.	918

APPENDIX

Statement made by Sir A. Chamberlain to the Imperial Conference on Oct. 20, 1926: reviews developments in foreign relations of His Majesty's Government since 1923. 919

CHAPTER I

Correspondence regarding British policy in Europe from the opening of the Preparatory Commission for the Disarmament Conference to the entry of Germany into the League of Nations

May 18—September 10, 1926

No. 1

*Mr. London*¹ (Geneva) to Sir A. Chamberlain (Received May 19, 9 a.m.)
No. 93 Telegraphic [W 4364/78/98]

GENEVA, May 18, 1926, 10.30 p.m.

Following from Lord Cecil²:—

Preparatory committee on disarmament met this morning. Netherlands delegate Loudon was elected chairman and Spanish and Uruguayan representatives vice chairmen.

In private session British representative proposed that committee should nominate two sub-committees, the first to advise on military questions and to consist of one military, one naval, and one air expert from each of the countries represented on preparatory committee, and the second for economic and social questions.³ After a discussion as to status of members of proposed sub-committees it was finally agreed to appoint in the first instance military sub-committee only, this to have as chairman one of the vice chairmen of preparatory committee, and to adjourn till tomorrow question of second sub-committee.⁴

¹ H.M. Consul at Geneva.

² Chancellor of the Duchy of Lancaster and British Delegate to the Preparatory Commission for the Disarmament Conference and to the Committee on the Composition of the Council of the League of Nations.

³ These sub-commissions were designated 'A' and 'B' respectively.

⁴ The official minutes of the meetings of the Preparatory Commission and of its drafting committee are printed in *League of Nations, Documents of the Preparatory Commission for the Disarmament Conference*, Series II (Geneva, 1926): for the present meetings see *op. cit.*, pp. 8-13.

No. 2

Mr. London (Geneva) to Sir A. Chamberlain (Received May 19, 10 p.m.)
No. 95 Telegraphic [W 4407/78/98]

GENEVA, May 19, 1926, 6.40 p.m.

In opening general discussion yesterday afternoon¹ British representative outlined policy of His Majesty's Government on the question of disarmament.² He explained that size of British army was not proportionate to that

¹ For the official minutes of this meeting on May 18 see *ibid.*, pp. 13-23.

² Lord Cecil had been furnished with instructions based on a report by an interdepartmental committee of which the following was a telegraphic summary.

'Preliminary question which naturally arises is whether in the endeavour to fix ratio of armaments those maintained by each Dominion would be considered separately from those of Great Britain and other Dominions or whether as in the case of Washington Conference [of 1921-2: see Cmd. 1627 of 1922] armaments of all the Dominions and Great Britain would be considered collectively. . . .

'Instructions then describe present situation as regards our armaments as follows:—

'(a) Imperial Naval Forces were considerably reduced after the War by scrapping of warships and further considerable reduction resulting from Washington Agreement.

'This Agreement imposed definite limit on defensive power of larger surface vessels but similar restrictions were not applied to submarines or aircraft. Endeavour should be made to correct this omission. [Lord Cecil's instructions here read: 'If, owing to the development in the power of these two weapons, it is found impossible, within the limits of the tonnage stipulated, to make the classes of surface vessels mentioned above reasonably immune from submarine or aircraft attack, then it may be advisable at the end of, if not within, the period fixed by the Washington Agreement, to ask for an increase in the tonnage limits at present in force. Up to date nothing has been done to limit the power of attacking the trade routes, either from the air or under the water.'] Before any further limitation of our naval forces can be considered international agreement should be obtained as to number, size and gun armament of submarines. Even if this could be effected certain number of cruisers are essential to protect our very long and vulnerable trade routes, whatever naval forces other powers may have, and therefore even if general agreement for reduction of naval forces secured, Admiralty consider that British Empire must have very special treatment in regard to number of cruisers. It would however in any case be feasible for us to agree with other nations upon a lower limit to size of cruisers and calibre of guns which they were permitted to carry. Limitation of size of torpedoes would also be feasible. Such an agreement would presumably also affect gun armaments of aircraft carriers and submarines.

'(b) British Army is notoriously small having regard to world wide commitments and length of land frontiers and its size compares favourably with that of forces of many other States. It does not therefore seem capable of reduction.

'(c) Air Forces of this country were reduced almost to vanishing point immediately after the War. Since then progressive programme of development has been adopted aiming at providing us with air force comparable to that of our nearest neighbour by 1935. His Majesty's Government would welcome any scheme which would result in measure of equality being established between our air forces and those of other European countries. Pending adoption of universal scheme specific agreement between Great Britain and one or more other European powers should be considered.

'Instructions proceed to deal with points arising out of Benes' two reports [*League of Nations Official Journal*, February 1926, pp. 164-8] and with answers to detailed questions adopted by Council of League of Nations 12th December 1925 [*ibid.*, pp. 168-9: see Volume I, No. 139, note 2]. Most important of these are as follows:—

'(1) French, Italian and Japanese Governments previously indicated that they could not

of any foreign power but was mainly dependent upon our overseas commitments. It constituted in reality a barely sufficient police force for our colonial possessions for India and our special obligations in Egypt and various man-

see their way to agree to consideration at separate conferences of various kinds of armaments. Since this declaration United States has announced intention of participating in work of Preparatory Commission and main reason for supporting separate conference on naval aspect of problem has fallen to the ground, but the declaration mentioned also raises question whether each of three kinds of armaments should be examined separately for the purpose of fixing ratio appropriate to each state. His Majesty's Government consider that fixing of one index figure would be very difficult in view of variation in purposes for which each kind of armament required and that each of the three kinds should be considered quite separately from one another.

'(2) In answer to Question I His Majesty's Government recommend that armaments should be defined as forces immediately available on outbreak of war and material maintained for their use.

'(3) In answer to Question II.

'(a) His Majesty's Government recommend that all measures of limitation should be confined to armaments as defined above maintained in time of peace and that no attempt should be made to limit "ultimate war strength".

'(4) Answers to Question III are

'(a) for naval purposes standard should be number and size of ship and calibre of guns carried.

'(b) standard of measurement in regard to military armaments should be number of effectives together with amount of equipment appropriate to their use.

'(c) as regards air forces most practical standard would be establishment of aircraft of service types to be maintained in commission in first line combatant units of air forces within limits of country whose Government is a party to the agreement. [Lord Cecil's instructions also stated: 'Discussion on Question V (a) should be avoided as long as possible as any direct solution seems to be very difficult, if not impracticable. If all other questions can be settled, the solution of this question may probably emerge naturally as a result of the "atmosphere" created by the settlement of the other questions.']

'(5) As regards Question V (b) His Majesty's Government are prepared to enter into examination of question whether Article 16 of Covenant can be regarded as effective at present and what steps can be taken to make it more effective but they feel very strongly that reduction and limitation of armaments would in themselves so greatly increase the security for peace as to render enquiry much less important. To be effective measures contemplated in Article 16 (which, when Article was drafted, were apparently intended to be confined primarily to those taken by Members of League within their own jurisdiction and without necessarily being accompanied by declaration of war) should be taken simultaneously and uniformly by all principal nations. At present this condition cannot easily be fulfilled and there is grave danger that those states which acted at once would merely strangle their own trade for benefit of those who delayed or refused to take action and would inflict more damage on themselves than on Covenant-breaking states. Any further examination of Article should be directed to ensuring that obligations under it should be made more precise and should be such as can and will be carried out having regard to the fact that action which each state is to take must in first instance be within its own jurisdiction and that economic pressure must be enforced uniformly by all save in most exceptional circumstances. Should such limited measures fail to ensure submission measures of increasing stringency may require to be taken and as final stage Council would presumably recommend war measures. By Article 16 it is left to each state to decide whether resort to war by a Covenant-breaking state has actually occurred and whether in consequence obligation in Article 16 has become effective.

'In regard to any proposals of this kind His Majesty's Government reiterate that real menace to security in many areas is competition between neighbouring powers in the

dated territories. The size of the British navy depended on other considerations. The foundations of naval disarmament had already been laid at Washington³ and it was hoped that further agreement on similar lines might be made to cover submarines and cruisers. It should however be remembered that the number of our cruisers was determined mainly by our overseas commitments and therefore any possible reductions would affect their size and armament rather than their number. On the other hand the size of our air force was certainly proportionate to that of the Air Force maintained by other countries and His Majesty's Government were ready and anxious to participate in any agreement which might facilitate their reduction. In general, although he recognised that security must precede disarmament, he felt a real measure of disarmament would provide the greatest guarantee of security. The British people were genuinely interested in the work of the committee and were convinced that disarmament was not impracticable if only there was a general will strong enough to insist on its realization.

German representative emphasized peculiar position of his own country. He referred to preamble to part 5 of Treaty of Versailles and to correspondence exchanged between Allied and German delegations at peace conference⁴ in which it was made clear that disarmament imposed upon Germany was a prelude to a general disarmament to be undertaken by the League. His government were anxious that present discussions should be limited to such questions as were alone essential to the solution of the problem. They had followed with interest the efforts of the League in this direction, in particular the idea of combining arbitration security and disarmament. They believed that treaties of arbitration concluded at Locarno⁵ justified an advance towards maintenance of excessive armaments and that measures contemplated by Article 16 for dealing with acts of aggression after they have taken place do little towards removal of menace which can only be brought about by effective agreement for reduction and limitation of armaments. His Majesty's Government could only contemplate contributing to additional or more precise guarantees of security in exchange for definite and substantial guarantee that genuine scheme of disarmament will be enforced and that degree to which this country would assist an attacked state should be made dependent on the extent of the policy of disarmament agreed upon by Conference and measure in which it is put into effect.

'(6) As regards Question VII, so far as Locarno Treaty concerned it might be argued that Great Britain's commitments have been increased but in so far as such agreements make wars less likely our commitments have rather in effect been diminished. As a generalisation His Majesty's Government are of opinion that regional security does make a measure of regional disarmament possible.'

Lord Cecil's instructions further stated: 'No form of permanent or compulsory supervision is either practicable or desirable, but reliance for the observance of the provisions of any Agreement to reduce and limit armaments must mainly rest on the good faith of the parties concerned.'

³ The reference was to the treaty on limitation of naval armament signed at Washington on February 6, 1922, and printed as item No. 1 in Cmd. 1627 of 1922.

⁴ The German note of May 29 and the allied reply of June 16, 1919, are printed respectively in *Papers relating to the Foreign Relations of the United States: the Paris Peace Conference 1919*, vol. vi, pp. 795-901, and *British and Foreign State Papers*, vol. 112, pp. 244-53; see also Volume I, No. 326.

⁵ For the Locarno agreements of October 16, 1925, see Cmd. 2525 of 1925.

general disarmament. 'German foreign policy was entirely dominated by treaty and spirit of Locarno'. So long as certain countries felt that they had insufficient guarantees of security any realization of article 8 of the covenant would meet with difficulties. For his part Germany had completely fulfilled her own obligation in this sphere and had therefore the right to expect similar action on the part of others.

United States representative recalled President's . . .⁶ to Congress of January 4th defining general attitude of United States Government. He did not desire at this stage to disclose detailed views of his Government but said that in general they were inclined to favour multiplication of regional agreements in preference to general agreement for land armaments. As far as the navy was concerned his Government would welcome any steps for limiting competitive naval construction.

To be continued.

Part 2.

Committee then embarked on a study of questions beginning with question 1.

British representative pointed out that questions 1 and 2 . . .⁷ really inter-dependent, he deprecated any lengthy examination of all factors which made up a country's armaments and strongly urged that committee should concentrate its attention on striking force available on outbreak of war. French representative then developed argument in favour of taking into consideration ultimate potential war strength of the country on usual lines. He was followed and supported by Italian and Belgian representatives. Latter after a historical digression into the sixteenth century urged the need of examining question under three distinct aspects: (1) Peace-time effectives, (2) Mobilization properly so-called and (3) industrial mobilization including facilities which might be given to industry for converting itself from a peace to a war footing.

British representative then explained that in his view difference between himself and previous speakers was not one of principle but resulted perhaps from a misunderstanding. He agreed that facts to which they had referred should undoubtedly be taken into account in determining any scale of armaments but he urged committee most strongly to avoid mistake of confusing two entirely different things, the armaments which could be limited and extent to which that limitation could be carried. Aeroplanes and chemical warfare presented special problems which might have to be dealt with in a special way but there was general agreement that any limitation must be confined to forces which a country could put into the field in initial period of hostilities. This was the most important basis in his opinion on which to frame any conclusions which committee might reach, for this was also basis

⁶ The text is here uncertain but should probably include 'message'. President Coolidge's message of January 4, 1926, is printed in *Papers relating to the Foreign Relations of the United States* 1926, vol. i, pp. 42-44.

⁷ The text is here uncertain.

on which governments framed their estimates on military expenditure for presentation to their parliaments. He added that he had no objection to suggestion to refer definition of armaments in question 1 to military sub-committee though value of this proposal would entirely depend on answer which committee received from their advisers.

It was then agreed to refer question 1 to military sub-committee and to proceed to question 2.

No. 3

Sir A. Chamberlain to Viscount D'Abernon¹ (Berlin)

No. 675 [C 5890/481/18]

FOREIGN OFFICE, May 19, 1926

My Lord,

I read yesterday Lord Kilmarnock's² despatch No. 94³ of the 12th May. I felt that the incident there recorded and the attitude of the local German authorities in connection with it was so needlessly and stupidly provocative that I must again request your Lordship to speak earnestly to Dr. Stresemann⁴ on the subject. I myself invited the German Ambassador⁵ to call upon me this afternoon. He has just left me.

I told his Excellency that I regretted to have to speak to him again on a subject which I had more than once mentioned to him and upon which your Lordship had spoken even more often to Dr. Stresemann. I read to his Excellency my despatch to your Lordship of the 23rd April arising out of a previous account by Lord Kilmarnock of the attitude of the German authorities in occupied territory.⁶ I told the Ambassador that I felt almost humiliated to have to return to the subject. There were moments when I felt tempted to throw up my hand, abandon my effort to help people who made no response and leave things to take their course, but I had decided that I must make one more appeal which I begged him to transmit to his Government just as I should instruct your Lordship to speak directly in Berlin.

I then read to the Ambassador the greater part of Lord Kilmarnock's despatch of the 12th May, omitting only the passages in which Lord Kilmarnock described the course of the discussions in the High Commission whilst reciting the result of those discussions as the decision of the High Commission. For your convenience I enclose a copy of the High Commissioner's despatch, in which I have marked in square brackets the passages which I omitted.⁷ I dwelt particularly upon the attitude adopted by the Mayor of Bingen. I pointed out that the High Commission had refrained

¹ H.M. Ambassador at Berlin.

² Lord Kilmarnock was British High Commissioner on the Inter-Allied Rhineland High Commission.

³ The enclosure below.

⁴ German Minister for Foreign Affairs.

⁵ Dr. Sthamer.

⁶ See Volume I, Nos. 455 and 432.

⁷ In the enclosure below these passages are indicated by asterisks.

from exercising their undoubted right to prohibit the demonstration and had preferred to appeal to the spirit of Locarno and to rely upon the friendly intervention of the German authorities themselves. Whilst the Reichskommissar,⁸ who, by the way, had had an opportunity of consulting, if necessary, the Chancellor,⁹ had done nothing, the Mayor of Bingen, after being assured that the Allies did not propose to forbid the demonstration, had discourteously refused to take any action. What inference were we to draw except that no argument and no appeal would be heeded by these local authorities except the use of force?

In reply his Excellency began by stating that he was unaware of the facts and unprepared to give any answer upon them. He showed some resentment at the language which I had held, and said that it was inconceivable to him that a great policy like that of Locarno should be reversed because of such petty incidents. He thought that I was making too much of trifles, that public opinion would nowhere justify a breach upon such trivial grounds, that my complaints were one-sided, that the population of the occupied territory had their grievances to which I paid insufficient attention, and that in particular the number of troops stationed in the second and third zones since the evacuation of the first¹⁰ was an aggravation of their situation, which necessarily caused irritation. At one moment in consequence of my interrupting him to emphasise again the lamentable attitude of the Mayor of Bingen and the direct invitation which it conveyed to abandon the effort at conciliation and to proceed by authority, the Ambassador's language became almost heated and his Excellency demanded rather angrily that, since I had spoken my mind to him, I should allow him equal latitude in reply.

When he had finished what he had to say, I requested him to observe that I had made no suggestion that these incidents would lead to a reversal of the policy of Locarno, and I had carefully avoided any language which might sound in his ears as a threat. If I had spoken strongly, it was because I felt strongly the injury which these incidents did to the common policy of the German and British Governments. There were times, I confessed, when I felt very angry; there were times when I could almost weep that stupidity of this kind should endanger the progress of that policy. No doubt each of the incidents was petty in itself. That only made them the more aggravating. In pursuing the policy of Locarno we should inevitably find serious difficulties in our road, but incidents such as those recorded by Lord Kilmarnock on this occasion and in his earlier despatch were thoroughly unnecessary. They were grains of sand heedlessly or maliciously cast into the machinery causing a friction which would not indeed reverse our policy, but must seriously hinder its progress. The German Government knew that

⁸ Baron Langwerth von Simmern, German Commissioner for the Occupied Territory.

⁹ Then Dr. H. Luther, who was succeeded as German Chancellor by Dr. Wilhelm Marx on May 17.

¹⁰ According to article 429 of the Treaty of Versailles the zones of occupation centred on Coblenz and Mainz were due to be evacuated on January 10, 1930, and January 10, 1935, respectively. The evacuation of the first zone, centred on Cologne, had been completed on January 30, 1926: see Volume I, Chapter II.

I had worked earnestly to bring about the Locarno meeting; that I had worked with my whole heart to secure its success and had striven to derive from that success all the advantages which it could be made to produce for our future relations and that the influence of His Majesty's Government had everywhere been used in the last few weeks to secure a calm and friendly consideration of the Russo-German treaty.¹¹ What impressed me so disagreeably was the conviction forced upon Lord Kilmarnock and upon myself that much of the trouble was encouraged and even provoked by the local authorities. He had spoken of the number of troops in the second and third zones. I would tell him frankly that I was anxious to see that number reduced. I was even anxious to reach the time when we might begin to consider a restriction of the period of occupation, but my hands were paralysed and my usefulness destroyed by the refusal of the German authorities to cultivate the spirit of goodwill which could alone make these further concessions possible.

I have to request your Lordship to speak as plainly to Dr. Stresemann. I speak as a friend, as one deeply convinced that the present salvation and the future peace of Europe are dependent upon the continuing success of the policy adopted at Locarno, but I must repeat to your Lordship the words which I used in my despatch of the 23rd April: 'It cannot be expected that we can make progress as long as the German Government (or, I would now add, the local German authorities) fail to observe the first condition of the new policy, namely that the new attitude should be reciprocal and should be as clearly marked upon the German side as it has been on that of the occupying Powers.'

Your Lordship will do us all a service if you can even at long last bring the German Government to a realisation of the injury done to German interests by such ill-judged and provocative manifestations and of the adverse effect which similar incidents must inevitably have upon the realisation of their hopes.

I am, &c.,

AUSTEN CHAMBERLAIN

ENCLOSURE IN No. 3

Lord Kilmarnock (Coblentz) to Sir A. Chamberlain

No. 94

COBLENZ, *May 12, 1926*

Sir,

I have the honour to report that an incident has occurred which can only have a highly deleterious influence on the endeavours of the Allied Authorities to carry out the spirit of Locarno in the Rhineland.

¹¹ The Soviet-German treaty of friendship and attached exchange of letters, signed at Berlin on April 24, 1926, are printed in *British and Foreign State Papers*, vol. 125, pp. 738-41; see Volume I, Chapter IV, for previous correspondence thereon. See also *Akten zur deutschen auswärtigen Politik 1918-1945*, Series B, vol. ii. part 1 (Göttingen, 1967), *passim*.

2. On the afternoon of the 7th May, the High Commission received a letter from the Commander-in-Chief of the Allied Forces stating that he had learned that on the occasion of a visit of the Landwirtschaftsrat¹² to Bingen on the 8th May the Germans proposed to illuminate the Niederwalddenkmal on the hills behind Rudesheim, and as this monument—generally known as ‘Germania’—was erected to celebrate the German victories in the war of 1870–71, General Guillaumat considered such action insulting to the French Army and as a direct provocation on the part of the Germans. *He asked that the High Commission should forbid this demonstration. The French Deputy High Commissioner strongly supported this request, but, after an informal meeting with him and the Belgian Deputy High Commissioner, I persuaded them to* authorize me to see the Reichskommissar on behalf of the High Commission and endeavour to arrange in a friendly manner that this incident should be avoided. I accordingly got in touch as soon as possible with Baron Langwerth and begged him earnestly to intervene. I pointed out how tactless the proceeding was and how much it was liable to hurt French susceptibilities [*sic*]. I was, I said, very desirous of avoiding administrative intervention on the part of the High Commission and I hoped that he would be able to arrange matters. Baron Langwerth said he knew nothing of the matter and was inclined to think that the report was not true. He would, however, enquire and see if anything could be done and would let me know in the morning. He himself was about to proceed to Dusseldorf to attend a ceremony at which the Chancellor was to be present.

3. In the morning I learned from the British Military Authorities that it was true that the celebration was contemplated, and this was confirmed later by a member of the Reichskommissar’s staff. *The matter was discussed at a meeting of the High Commission, and the French Deputy High Commissioner now pressed officially for the prohibition of the meeting. The Belgian High Commissioner, who was present, shared the French view, and I confess that I was much tempted to agree. The question was debated for some time when I, as Acting President, asked Colonel Ryan¹³ for his views. He said that whilst fully appreciating the French point of view and the tactless nature of the German intentions, he thought that a prohibition was undesirable; firstly because it would create a greater repercussion than the matter was perhaps worth, and, secondly, it seemed to him that the harm was already done, i.e., that the intention of the Germans was known and that, even if the act were prohibited, feelings of resentment had already been aroused on the French side which would not be attenuated by the prohibition of the celebration. This view, whilst impressing my colleagues, did not entirely cause them to change their opinions, and at this moment Captain Fox, the English-speaking Secretary-General, put forward what he described as a compromise proposal, namely, that* the High Commission should address an official letter to the Reichskommissar, stating that they counted on him,

¹² Agricultural Council.

¹³ Deputy British High Commissioner.

in the spirit of Locarno, to take such steps as might be necessary to meet the Allied point of view so that the High Commission might be able to inform their respective Governments of the practical effect of that spirit. *The French representative then said that although he could not make himself responsible in any way for the acceptance of this proposal, he would not vote against it out of his personal desire not to embarrass me. The Belgian High Commissioner, after lengthy reservations finally said that he too would accept the proposal,* and a letter, copy of which I have the honour to enclose herewith,¹⁴ was addressed to the Reichskommissar and was handed to his representative at 1.40 p.m. on the 8th May. The latter remarked before receiving the reply that if it was a prohibition the whole work of Locarno was 'kaput'.¹⁵

4. After this I got into touch again with the Military Authorities in Wiesbaden, and General Du Cane¹⁶ instructed his Chief of Staff to see the Regierungspräsident¹⁷ at Wiesbaden and urge on him the desirability of prohibiting this celebration. The Regierungspräsident, whilst stating that he had no power to prevent it, said he would endeavour to persuade the Mayor of Bingen to drop it. General Du Cane also sent two officers to Bingen to try to arrange that the celebration should not take place. The Mayor asked them whether they were prepared to forbid it, and, on their replying in the negative, refused, somewhat truculently, to do so himself. The illumination of the monument therefore took place.

5. I have reported this incident at some length, as it is a good illustration of the difficulties which attend the local application of the spirit of Locarno. In this case I consider that the French *were largely justified and that they* showed considerable restraint in not opposing the course which was finally adopted. The German authorities, on the other hand, showed no sense of any real spirit of reciprocity. This seems to me to be a case in which it would have been extremely easy to do so. No material interest was involved, and there can be no doubt that the public illumination of this monument, on the base of which, I am informed, the French defeats (Sedan, etc.) of 1870-71 are inscribed, was calculated to prove extremely provocative to *a nation so susceptible as* the French. I feel that in this case I went up to, if not beyond, the extreme limit of conciliation, and I propose speaking strongly to the Reichskommissar when next I see him. In fact, I do not feel that I can again justifiably exercise similar pressure on the French if further incidents arise. There is, I submit, a point beyond which we cannot be expected to jeopardise our credit *with our friends*.

I have, &c.,

KILMARNOCK

¹⁴ Not printed.

¹⁵ Destroyed: cf. No. 50.

¹⁶ General Officer Commanding-in-Chief of the British Army of the Rhine.

¹⁷ President of the local administrative district.

No. 4

Sir G. Clerk¹ (Prague) to Sir A. Chamberlain (Received May 31)

No. 171 [C 6212/83/12]*²

PRAGUE, May 19, 1926

Sir,

The general strike in England³ had not ceased to occupy the columns of the Czechoslovak press when Marshal Pilsudski's military *coup d'État* in Poland⁴ came to engross public attention.

2. Such an event would naturally be of profound concern to the neighbours of the State in which it happens, but coming at this moment it has a special interest for Czechoslovakia. The whole press is unanimous in hoping that Poland will not suffer permanently as a result of Pilsudski's *coup d'État*. There is noticeable a genuine wish for the welfare of Poland, but the dominant note of the comments appearing in the press is that Czechoslovakia must at all costs avoid itself being the victim of any similar violence. The journals all affirm their complete confidence that such a thing is impossible in this country, but their words betray a certain nervousness which this assumption of an air of confidence is not able entirely to conceal.

3. So many of Czechoslovakia's neighbours, Germany, Roumania, Jugoslavia, Hungary, besides Poland, are in a state of crisis at this moment, that a feeling of nervousness is not unnatural. So long accustomed to the concentration of power within the Czech Coalition, Czechoslovakia herself is in a condition which in outward form is abnormal. The President is governing the country through a Cabinet of officials or specialists and the Government never knows from one moment to another on what majority it can depend in Parliament for any particular measure or whether it will find a majority at all. Parliament is functioning, but the state of affairs is irregular and not truly parliamentary. It is not really in the spirit of the Czechoslovak Republic that it should be governed by Ministers who are not themselves directly elected by the people. The centre of power at this time is therefore shifting from day to day and no one can tell exactly where it rests.

4. The parties which, before the fall of M. Svehla's Government,⁵ were responsible as members of the coalition are now freed from that responsibility, and it is only natural that from time to time their leaders should give voice to expressions of opinion and aspirations more extreme than they could permit themselves to do while in power. In this way rumours have got about

¹ H.M. Minister at Prague.

² Throughout this volume an asterisk after the file number denotes that the document has been printed from Confidential Print being the only text preserved: see Preface, p. ix.

³ From May 4 to 12, 1926.

⁴ Following this *coup d'état* of May 12, 1926, the Polish Government led by M. Witos had resigned, and a new government had been formed with M. Bartel as Prime Minister and Marshal Pilsudski as Minister for War.

⁵ This government, an all-Czech coalition of Social Democratic, Agrarian, National Socialist, National Democratic, Traders and People's Catholic Parties had resigned on March 17, 1926.

to the effect, on the one hand, that Czechoslovakia is menaced by the threat of Fascism and, on the other, that the Socialists and the Legionaries are combining to take effective steps to frustrate it. The General Staff at the Ministry of National Defence has taken the opportunity presented by having a general for Minister⁶ to make certain modifications in the organisation of the office which concentrate authority in its own hands, and the name of General Gajda, Chief of the General Staff, is freely used in connection with the Fascist movement.

5. The Czech National Democratic party is credited with being favourable to a Fascist régime, a belief encouraged by the peroration of a recent speech of Dr. Kramar, the first Prime Minister of the Republic, which ended with the words 'and if we cannot manage with Parliament, we shall have to manage without it'—while a Socialist leader, and ex-Minister has publicly named General Gajda as the future dictator whom the Fascists have in view. The Czech Nationalists cannot make up their minds to believe that the present *Entente* between Germans and Czechs is permanent or beneficial to the country, and the Germans are wondering all the time whether they are being used by the parties of the old Czech Coalition merely as a means of getting out of the way the inconvenient measures which lead [*sic* ? led] to the downfall of the coalition, only to be dropped back into that position of humiliation and oppression from which they were raised for selfish ends and so they do not come forward wholeheartedly to combine with their Czech fellow citizens.

6. But while there is a certain uncertainty and nervousness in the political life of the country at this time, it is hardly true to say that there is any real anxiety. In the first place, Czechoslovakia has more political maturity than Poland and there is little fear but that the country will pass through this period of transition back to a fully normal régime without any violent upheaval. Marshal Pilsudski's action has given a sharp warning and the Czechs are certainly taking it to heart. But even more indicative of the true weight of 'fascismo' in this country is the fact that the two working leaders of the movement both asked for ministerial portfolios when the Government of officials was in process of formation, professing every possible form of devotion to constitutional Government, and even submitted their petitions in writing. None the less, public nervousness has increased to such an extent that it has been thought advisable to issue to-day from the Ministry of National Defence 'an official communiqué' denying on behalf of General Gajda the rumours impugning his loyalty to the Constitution, and affirming his strict sense of the obligations of military discipline.

7. I apologise for this long digression from the original subject of this despatch, but it was necessary in order to explain the otherwise curious lack of general appreciation of the significance of what has happened in Poland. The enclosed summary⁷ of press opinions on Marshal Pilsudski's *coup*, taken from the 'Official Review', issued by the Czechoslovak Government, shows this clearly enough. But the Minister for Foreign Affairs⁸ and other leading

⁶ General Syrový.

⁷ Not printed.

⁸ Dr. Benes.

people in this country are deeply disturbed. For them it matters not so much whether Marshal Pilsudski found himself, to his surprise, the leader of a spontaneous movement, or whether the *coup* was deliberately planned—an acute observer told Dr. Benes recently that a 'Putsch' was imminent in Poland, but whether of the Right, Left or Centre, depended on which got going first; they derive some slight measure of consolation from the feeling that, if 'Putsch' there had to be, it has come from those whose professed policy need cause Czechoslovakia the least anxiety; but as they see it, there is the tragic fact that Poland has left, and left unnecessarily, the constitutional path, and they await with sombre minds the effect of this betrayal of democratic principles by upholders of democracy.

I have, &c.,
GEORGE R. CLERK

No. 5

Sir A. Chamberlain to Lord Kilminster (Coblenz)

No. 17 Telegraphic [C 5666/481/18]

FOREIGN OFFICE, *May 20, 1926, 3 p.m.*

Your despatch No. 94¹ (of the 12th May. Incident in the Rhineland).

Your action and proposed language to the Reichskommissar are approved.²

¹ Enclosure in No. 3.

² Lord Kilminster reported in Coblenz despatch No. 100 of May 21 that he had spoken as authorized to the Reichskommissar, who had expressed regret that the incident had occurred, and stated that the illumination had been carried out by private persons after the official visit of the Agricultural Council had concluded.

No. 6

Mr. London (Geneva) to Sir A. Chamberlain

(Received May 20, 9.15 p.m.)

No. 96 L.N. Telegraphic [W 4454/223/98]

GENEVA, *May 20, 1926, 6.15 p.m.*

Following from Lord Cecil.

Your telegram No. 39.¹

Suggest telegram on following lines might be sent to Sir H. Rumbold²
(Begins):—³

You are no doubt aware that League Committee on composition of Council

¹ Not printed. This telegram of May 18 congratulated Lord Cecil on the 'large measure of agreement' he had secured during the session of the Committee on the Composition of the Council of the League of Nations (see Volume I, Nos. 518, 524, 525, and 527) and suggested that he should draft an appeal to the Spanish Government, who had formulated reservations in regard to the draft proposals of the Committee: see Cmd. 2665 of 1926 for the Committee's report to the Council, dated May 17.

² H.M. Ambassador at Madrid.

³ The following paragraphs were sent to Madrid on May 22 as Foreign Office telegram No. 36.

has finished its first meeting. A scheme was approved without opposition for increase of non permanent members to nine with arrangements that one third should be re-eligible, so that Assembly might keep certain members on Council for considerable period if not indefinitely. The Brazilian and Spanish representatives made reserve on the whole scheme and three or four other powers on clauses in it. The question of increase of permanent members was left over till the next session of commission but it was clear that no states desired such increase, apart from seats for Germany, except Brazil and Spain, though China and Poland would press for permanent seats if any state but Germany was granted one. Commission is to meet again on June 28th.

We are very anxious to secure assent of Spain to this scheme. It is true it does not give her a permanent seat because it was felt impossible to make any exceptions in the rule in effect laid down at Paris⁴ that only Great Powers, as that term is ordinarily understood, should have permanent seats. Once that rule is abandoned there seemed no other method of determining who should have permanent seats except a discussion of individual merits and claims of each applicant which is evidently invidious and undesirable but His Majesty's Government earnestly desire to retain co-operation of Spain on Council of League of Nations which has been very valuable to League of Nations. I believe that by plan proposed this could in effect be done. I have no doubt that Spain would be again elected in September and would be declared re-eligible in 1927 and re-elected then and at future election. That if our desire and I believe of many other leading members of League of Nations. Of course I do not underrate the strength of natural feeling of Spain that hopes having been held out to her that she might obtain permanent seat it is very distasteful that she should be asked to accept anything less than that now but after all the substance is more than the shadow and if Spain remains a member of Council her influence in Europe will be undiminished and benefit of her co-operation in cause of peace will remain as heretofore.

I should be glad if you would let me know in what way, in your opinion, these considerations could best be pressed upon Spanish Government. It has been suggested to me that perhaps the best plan would be by a personal appeal to the King or to Prime Minister.⁵ If you agree in this how do you think appeal would best be made; should it be by some personal and direct communication from King George or his Minister or should it go through ordinary diplomatic channels. As soon as you have had time to consider this question carefully please let me (? have omitted) your advice on the whole situation.

⁴ At the Peace Conference of 1919.

⁵ General Primo de Rivera.

No. 7

*Mr. London (Geneva) to Sir A. Chamberlain
(Received May 21, 9.30 a.m.)*

No. 99 L.N. Telegraphic [W 4764/78/98]

Urgent. Most secret

GENEVA, May 20, 1926, 10.22 p.m.

Following from Lord Cecil:—

Gibson, United States delegate,¹ has just told me Japanese government have announced in Tokyo they would be ready to go to Washington to discuss further naval disarmament treaty. He . . .² nothing about it at all officially but had heard it from a journalist and it was confirmed by chief Japanese delegate here.

He rightly thinks this is a very premature move as it will look like attempt to destroy League Disarmament Committee and he proposes to do all he can to damp it down but he suggests it might be good plan for his admirals to talk to British and Japanese admirals informally, with a view to seeing what further steps towards naval disarmament could be usefully taken here so that if nothing else results from League Disarmament Committee we could perhaps eventually announce this fresh agreement as a step which naval powers have been able to take. I told him, speaking without any instructions, it seemed to me excellent idea and I could see no harm in informal conversations of the kind but I added I should telegraph immediately to know what view His Majesty's Government took on the subject.³

I should be glad of an early reply.

¹ Mr. Hugh Gibson, United States Minister at Berne, was United States delegate to the Preparatory Commission for the Disarmament Conference.

² The text is here uncertain.

³ For Mr. Gibson's report of this conversation see *Papers relating to the Foreign Relations of the United States 1926*, vol. i, pp. 104-5.

No. 8

Mr. Cable¹ (Danzig) to Sir A. Chamberlain (Received May 26)

No. 19 [N 2414/260/55]

Confidential

DANZIG, May 20, 1926

Sir,

I have the honour to report that there appears to be a belief here in some circles that the recent change of Government in Poland may contribute to improve the tone of negotiations generally between that country and Danzig, especially in view of the fact that the Socialists and the parties allied with

¹ Mr. Cable was H.M. Acting Consul at Danzig from May 4 to 28, 1926, when he was appointed H.M. Consul there.

them in the Free City, as well as local commercial men, in a non-political sense, irrespective of parties, appear to favour friendlier relations with the Poles for practical reasons, while disliking them.

2. This view is connected, in the opinion for instance of the High Commissioner of the League of Nations and the President of the Harbour Board, with the assumption that the present Polish Government will strive to entertain closer contact with His Majesty's Government, Germany and the United States than the previous one.

3. The local Polish representatives, such as the Commissioner General and his staff, are reported to view the change without satisfaction; on the contrary they are commonly said to deplore and resent the action of Marshal Pilsudski. The local view of them is that they are on the constant look-out for finesse and subtle insincerities on the part of others, and this explanation may partly be true. A more likely one seems to be that, highly sensitive as they are, they are reserved in the extreme when feeling in a difficult position, afraid of giving the least opening for a wounding of their pride by speaking openly of what they may regard as a misfortune for their country, or of matters, such as Polish relations with Danzig, where they feel that they encounter little sympathy on the part of foreigners.

4. There appears to be general agreement among all—I except the Poles—that the next five years will prove whether the present arrangement regarding Danzig will stand the test of conflicting German and Polish aspirations, or whether, as is thought by the majority, the next war will be fought, if not over Danzig, to settle the differences between the Germans and the Poles typified in the feeling about the Free City and the Polish Corridor.

5. Among local Germans and such German visitors to the Free City as I have met, old and young, only one opinion prevails: Germany cannot go to war at present, but will wait and prepare for the day when her adversaries fall out among themselves or with someone else. Then will be her chance to side with one of them and regain some of the lost portions of her former European territory, which is the goal of their strivings rather than revenge on France. No future, according to them, is possible to Germany, especially no economic revival fitting them for world competition, unless she regains not only Danzig and the territory ceded to Poland, but Memel and Alsace-Lorraine also. At present owing to her dismembered state, they say, she cannot compete. This opinion is not held merely by persons of a sufficient age to have experienced the bitterness of war as adults, but by the young generation, for instance at the technical High School (a hotbed of nationalism), and in the schools even, where these ideas are instilled by a corps of teachers who are interchangeable between Germany and Danzig and who are mostly fervent nationalists. I have often been told by Germans that this bitterness is directed towards France only (Poland they despise), and that Englishmen and Germans are really brothers, but I know that English children at school here have a very bad time sometimes on account of their nationality, even if half Germanized. A Danish acquaintance of mine told me that several local Germans (or Danzigers) had told him gleefully at the

time of the outbreak of the general strike in England that the English were now getting it back a little for having won the war.

6. The Germans are, in M. van Hamel's² view, relaxing their propaganda here to some extent. A considerable indirect propaganda is, however, carried on. There is going to be a conference of teachers from the whole of Germany at the end of this month, and I fear that after their visit to this old Hanseatic town so rich in relics of former German greatness they will take back to their schools in the Reich and instil into their pupils with renewed zest the creed that what was once German and is so still in spirit should again become German in political reality. No fewer than eleven such conferences at Danzig of important German bodies are planned for this year. The exchange of officials, and lectures and the visits of sports teams all serve in a way the same end.

7. On the other hand the Poles, perhaps more crudely by a subsidised press, are equally active in propagating their views, while causing much ill feeling by their petty handling of Customs and postal questions and their demands for harbour space at Danzig. They also develop Gdynia, as a Naval port and Naval base first of all, but also with the hope, rather forlorn it would appear at present, in view of the limited means of land approach to it, of making it a commercial competitor of Danzig.

8. Much would be gained if it were possible not only to simplify the procedure of negotiations between Poland and Danzig, which are at present slowly progressing mainly in more or less coldly worded notes, but to avoid, on the part of Poland, to a much greater extent than is the case at present, irritating local susceptibilities in small matters of no great practical benefit to Poland (such as the pillar box incident³ and the unpractical and laborious handling of the customs) but intensely distasteful to the local population and almost perversely effective in constantly reminding large numbers of them of the presence of an alien and inimical authority.

9. The President of the Senate,⁴ at an interview which I had with him on the 19th instant, told me that practically all his negotiations with the Poles were carried on in writing, that he scarcely ever saw M. Strasburger,⁵ except in the case of some exceptional difficulty, and that for instance he had had no contact with the Polish representatives here since the recent occurrences in Poland. His only information as to what they thought of the matter was second hand, from what they had told newspaper men or local people casually. This had been, up to the 17th instant, that the Witos Government was sound and would remain in power!

10. Dr. Sahm, who spoke to me on the explicit understanding that what he said, while being reported to His Majesty's Government in my discretion,

² Dr. van Hamel was League of Nations High Commissioner in Danzig.

³ The reference was to a dispute between Poland and Danzig which arose when Polish letter boxes were set up in the Free City on January 5, 1925: on May 16, 1925, the Permanent Court of International Justice gave an Advisory Opinion in favour of Poland. See the *Publications of the Permanent Court of International Justice, Collection of Advisory Opinions*, Series B, No. 11, May 16, 1925.

⁴ Dr. Sahm.

⁵ Polish Commissioner-General at Danzig.

would remain confidential as regards others, regarded Marshal Pilsudski's action as purely military and felt convinced that it would be followed in a few months by a political revolution in Poland, whether brought on by the parties of the right or of the left he could not say. The dominant factor was the unrest among the army and the officials owing to their low pay, which had led to widespread corruption among the latter, who could not live on their salaries. He saw no way out of the present economic difficulties of Poland and had no confidence in the ability of Marshal Pilsudski to improve matters or even to maintain himself. He knew the Marshal personally and liked him well enough, but did not regard him as a second Mussolini.⁶

11. As to its influence on Polish-Danzig relations, there had been and would be no change one way or the other as a result of the change of Governments in Poland. The only obvious effect on Danzig would be an economic one to the detriment of the Free City, caused by the unrest in Poland (which I am told by a prominent shipper is seriously disturbing the exports of food-stuffs, especially livestock, as in some districts the farmers refuse to sell, in order to have something for themselves if they are shut off from supplies in case of a revolution, in others want to sell at any price lest the soldiers should come and seize their stock). Dr. Sahm spoke of the vicious circle in which the unrest caused by the low pay of the army and officials, the apparent inability of the Government to reduce their numbers, the refusal of foreign financiers to advance credits, the fall of the Zloty (20 per cent. in a couple of days) and the possible necessity for the Government to raise the pay of the army and civil service, still further depressing the Zloty, was involving the Polish finances.

12. The President was anxious in view of certain ludicrous rumours to the contrary in the Polish press, that I should mention that Danzig throughout this crisis had remained perfectly calm and that there was no foundation for the statement that preparations were made among military organisations here. I took the opportunity to ask Dr. Sahm whether there were any such organisations here, and he formally denied their existence. There were so-called 'Kriegerverbände', associations of former soldiers, but these had neither arms nor bellicose aims.

13. The President, who was very pleasant, if a little reserved and on his guard, and who had Dr. Ferber, the head of the foreign department of the Senate, a very agreeable man, also of strongly German sentiment, present during the interview, gave me the impression of being German at heart and likely to oppose Polish tactlessness and even Polish advances perhaps, with Prussian stubbornness and of seeing no future in Danzig-Polish relations, merely holding on in the expectation of the collapse of Poland. He expressed himself clearly and deliberately and only checked himself now and then with a smile and a gesture when on the point of speaking of Poland with contempt.

14. The Polish Commissioner General received me today and expressed himself with considerable freedom on the position in Poland, which he regards as extremely serious chiefly on account of the financial distress.

⁶ Signor Mussolini was Chief of the Italian Government and Minister for Foreign Affairs.

M. Strasburger does not consider that the danger will come from the officials, who are of course underpaid and dissatisfied, nor from the army whose loyalty, he says, as regards all but the highest ranks of officers, was proved in the recent events, but from the populace, who, if the Zloty falls still further and prices of food rise, cannot be counted on, especially in their present excited and scared state. Outwardly the whole of Poland is calm, according to him, but considerable nervousness prevails among the population, who will be bitterly, and perhaps dangerously, disappointed if the present Government, as he anticipates, fails to improve the economic and financial position. For the present he hopes calm will prevail, at least until the election of the President, in his opinion probably the Marshal of the Sejm, coupled, perhaps, with an extension of the powers of the President in some way not necessitating a change of the constitution.

15. As regards Danzig, he is more hopeful than Dr. Sahn. He has noticed a considerable improvement in his relations with the Senate, and in the attitude of the local population, as compared with two years ago. He also believes that the present Polish Government will adopt a friendlier attitude towards Germany, which might lead to a comparatively speedy settlement of the trade dispute between those countries,⁷ and a friendlier attitude towards Danzig. He is a firm believer in the future of the present arrangement in regard to the Free City, which is, he says, essential for the future of Poland. He pointed out rather characteristically how helpless Poland would have been in her present trade war with Germany without the Corridor.

16. On the subject of the large army maintained by Poland, M. Strasburger thought that its reduction, although desired by many, was rendered well nigh impossible owing to the distrust of Russia and the reiterated claims of Germany for a rectification of her Eastern boundaries, although he personally did not think that either would undertake an ag[g]ression. The propaganda carried on by Germany on this subject had the most unfortunate effect on people in Poland.

17. While I refrained from raising specific points in dispute between Poland and Danzig, I gained the general impression that M. Strasburger is in favour of a constructive, conciliatory policy here, and I cannot quite believe that he is personally responsible for such mistakes as have been made on the part of the Poles. He seems good natured and reasonable, even if he now and then breaks out almost mechanically into statistical propaganda of doubtful value. He does not, however, seem, as far as I have heard, to have made much of an impression here, being by origin a Jew (not an advantage

⁷ Negotiations for a German-Polish commercial treaty had met with difficulties in connexion with the German refusal of a Polish request for the continuance after June 15, 1925, of the duty-free importation of products, notably coal, from Polish Upper Silesia into Germany, as provided in the Geneva Convention of May 1922 (see *British and Foreign State Papers*, vol. 118, pp. 365-585). In June 1925 both governments had imposed restrictions on trade between the two countries; negotiations for a commercial treaty continued intermittently, complicated in 1926 by the problem of liquidation of German property in Poland under Article 92 of the Treaty of Versailles. See *Akten zur deutschen auswärtigen Politik 1918-1945*, Series B, vol. ii, parts 1 and 2. *passim*.

at Danzig) and without much presence, also apparently entertaining little and, as observed before, seldom seeing the leading local officials personally, or mixing with them socially, a state of things which M. van Hamel would like to see remedied.

18. Copy of this despatch has been sent to His Majesty's Minister at Warsaw as No. 4 of the same date.

I have, &c.,
ERIC CABLE

No. 9

Sir A. Chamberlain to the Marquess of Crewe¹ (Paris)²

No. 1519 [C 5785/5139/18]

FOREIGN OFFICE, May 21, 1926

My Lord,

Since the despatch of my telegram No. 100³ of the 3rd May, conveying the views of His Majesty's Government in regard to the Russo-German Treaty, conversations have taken place at Geneva between the Legal Advisers to the various governments concerned, at the close of which a document was drawn up by Monsieur Fromageot and approved by Dr. Gaus, the Legal Advisers to the French and German Governments respectively, embodying the explanations which Dr. Gaus gave in answer to various points raised by Monsieur Fromageot. A copy of this document is transmitted to Your Lordship herewith for your confidential information.⁴ The substance of Dr. Gaus' explanations, but not a copy of the document, was given verbally to the Belgian, Italian, Polish and Czechoslovak Legal Advisers at Geneva, who have no doubt communicated it to their governments. I understand that Monsieur Fromageot was well satisfied with the conversations he had with Dr. Gaus and it seems possible therefore that the French Government may abandon their demand for a public declaration from the German Government, especially if the latter see their way to confirm Dr. Gaus' assurances in accordance with a request which the French Ambassador in Berlin has been instructed to make.⁵

2. It is to be hoped that Dr. Gaus' explanations may equally reassure the Polish and Czechoslovak Governments who before the conversations had

¹ H.M. Ambassador at Paris.

² This despatch was also addressed, *mutatis mutandis*, as No. 233 to Prague, No. 401 to Brussels, No. 746 to Rome, and No. 276 to Warsaw, and a copy was sent to Berlin in Foreign Office despatch No. 681 (not preserved in Foreign Office archives).

³ See Volume I, No. 492.

⁴ Not printed. This memorandum of May 12 by M. Fromageot reporting for M. Briand, President of the French Council of Ministers and Minister for Foreign Affairs, on the conversations which he and Sir C. Hurst, Legal Adviser to the Foreign Office, had held with Dr. Gaus in regard to the Treaty of Berlin, is printed as annex 2 to document No. 227 in *Akten zur deutschen auswärtigen Politik 1918-1945*, Series B, vol. i, part 1 (Göttingen, 1966).

⁵ Lord D'Abernon had been similarly instructed on May 20 in Foreign Office telegram No. 71 to Berlin.

taken place at Geneva, had raised certain points in reply to the British views on the question as expressed in my telegram under reference. Copies of the relevant telegrams⁶ from His Majesty's Ministers at Warsaw and Prague and of a memorandum⁷ left with me by the Polish Minister at this Court are transmitted to you herein for convenience of reference.

I am, &c.,

(For the Secretary of State)

J. V. PEROWNE⁸

⁶ See Volume I, Nos. 502 and 507 respectively.

⁷ This memorandum of May 5 is not printed.

⁸ A member of the Central Department of the Foreign Office.

No. 10

Sir A. Chamberlain to Viscount D'Abernon (Berlin)

No. 682 [C 5785/5139/18]

FOREIGN OFFICE, May 21, 1926

My Lord,

In my despatch No. 681¹ of to-day's date I transmitted to Your Lordship a copy of a memorandum which had been drawn up in Geneva by Monsieur Fromageot and Dr. Gaus, the legal advisers of the French and German governments respectively, embodying the explanations which Dr. Gaus gave in answer to various points raised by Monsieur Fromageot in regard to the Russo-German Treaty of the 24th April last.

2. In this connection it may be of interest to place on record certain information which Dr. Gaus gave with regard to the negotiation of the Treaty. It appears that the negotiations between Russia and Germany had been hanging fire for some time when an announcement was made in the press that the German delegation to the special Assembly of the League in March last was about to start for Geneva. The Soviet Ambassador at Berlin then hastily invited the German Chancellor, Dr. Stresemann, Herr von Schubert² and Dr. Gaus to come and lunch with him, and then and there invited them to sign a Treaty on the lines of that which Russia had already rejected. The Treaty was not dissimilar in form from that subsequently concluded between Russia and Germany, but certain modifications in the phraseology were needed and this rendered it physically impossible for the Treaty to be signed at the moment and in the manner that the Russian Ambassador desired. The verbal modifications which the German government desired were, however, all accepted by the Russian representative.

3. Throughout the period of their stay at Geneva in March last the German delegation had in their pocket the text of the proposed Russo-German Treaty almost in the exact words in which it was subsequently signed, and they were much embarrassed throughout their stay there as to whether or

¹ See No. 9, note 2. ² State Secretary in the German Ministry of Foreign Affairs.

not to discuss the question and show the text to the representatives of the Locarno Powers. Not to do so looked like an attempt to conceal from the Locarno Powers a Treaty of which the Germans contemplated the signature and which would be bound to produce some apprehension in the allied minds. To do so in the circumstances which existed at Geneva in March would be misrepresented as an attempt by Germany to blackmail the Locarno Powers, as it would have the appearance of a threat to enter into close relations with Russia if entry into the League was not secured. In the end the German delegation concluded that it would be better not to show the draft Treaty to the Locarno Powers.

4. In conversation Dr. Gaus took responsibility for the wording of the Treaty and also of the Stresemann note.³ The Stresemann note, he said, could only be appreciated properly if its successive stipulations were regarded as the German answers to the complaints or allegations levelled by Russia at the Locarno Powers and at the League. The Germans would have liked what is now the Stresemann note to have been in the form of a protocol signed by the Russians as well as by the Germans, but the Russians refused to do this because many of the statements of the Stresemann note indicated benevolence to the League.

5. Dr. Gaus' own view is that this new Russo-German Treaty instead of constituting as feared the cause of strife between Germany and the other Locarno Powers, may constitute the bridge by which Russia will re-enter the family of Nations. She does not like being left out in the cold and, having failed to prevent Germany from entering the League, she is now likely at any moment to think she had better follow suit and apply for admission to the League herself.

6. A similar despatch has been addressed to His Majesty's Ambassador at Paris.

I am, &c.,
(For the Secretary of State)
CHARLES W. BAXTER⁴

³ Cf. No. 3, note 11.

⁴ A member of the Central Department of the Foreign Office.

No. 11

*Memorandum respecting the state of Military Control in Germany*¹

[C 6048/436/18]

FOREIGN OFFICE, May 21, 1926

The German Government were assured by the Ambassadors' Conference on the 16th November, 1925,² that the Control Commission would be withdrawn as soon as it had completed its task of supervising the execution by Germany of her remaining disarmament obligations.

¹ According to the docket this memorandum was by Mr. Baxter.

² See item No. 5 in Cmd. 2527 of 1925 and Volume I, No. 106.

Two points of importance now remain to be settled with the German Government, i.e., police and war material.

(1) *Police.* The Germans have asked³ to be allowed an increase of 5,000 to cover the increase required on the evacuation of the Rhineland. The War Office view is that an increase of 5,000 men, or even 10,000 men, has no military importance and should not be allowed to stand in the way of a settlement of the police question. We have therefore pressed the other governments concerned to grant the German request, on the understanding that this concession must settle the police strength for the whole of Germany once and for all. But the French Government, and particularly Monsieur Briand, who has taken a personal interest in the question, cannot be persuaded to grant any concession at all, and, in order to avoid a complete deadlock on the Ambassadors' Conference, the question has at our suggestion been adjourned, and no reply sent to the German note of March 5th.

(2) *War Material.* This is a dispute respecting the categories of material which should be regarded as war material for the purposes of the Treaty of Versailles, i.e., which Germany is forbidden to manufacture, export or import. The Control Commission have drawn up a long list which has been approved by the Ambassadors' Conference. The Germans say that the definition of war material should be one of universal application. They have suggested the adoption of the list drawn up by the League for the purposes of the Arms Traffic Convention,⁴ but the Conference has rejected this suggestion. The German Government now claim that the question is materially affected by the prospect of a general Disarmament Conference, which will have to define war material, and moreover, in doing so, will have to take into consideration the economic as well as the purely military aspects of the question. Our criticism of this suggestion is that although the disarmament committee now sitting at Geneva will consider, amongst other things, the definition of 'armaments', this term, which covers human beings, is clearly much wider than the term 'war material' used in the Treaty of Versailles; further, the committee's definition will have no force or value until unanimously approved by the Disarmament Conference, and it is scarcely possible that this can take place this year. We see no reason why, with goodwill on both sides, the Control Commission and the German Government should not reach agreement, and consider that the German objections can have no other reason than to delay indefinitely the settlement of the question.

The Ambassadors' Conference have accepted the British view as explained above, and have decided to address to the German Government a note to this effect in reply to the German note of March 3rd.⁵

³ In a note of March 5: see *ibid.*, No. 339. The German text of this note is printed in *Akten zur deutschen auswärtigen Politik 1918-1945*, Series B, vol. i, part 1, as document No. 142.

⁴ See *League of Nations Official Journal*, August 1925, pp. 1118-53, for this convention of June 17, 1925.

⁵ This German note is printed as the enclosure in No. 365 of Volume I. The reply

These two important questions are still before the Ambassadors' Conference in Paris. Meanwhile the Control Commission at Berlin is supervising the execution of many other points, e.g., the agreement reached regarding the High Command, questions affecting the general staff, the transformation and alienation of factories, etc., etc.

There is no doubt that the French are none too anxious to end allied control just at present, owing partly to the Russo-German Treaty, which has made French opinion unwilling to grant Germany any sort of concession, and partly to their fear of a hiatus between the withdrawal of the Control Commission and League investigations under article 213.⁶ It will be remembered that the Germans have formulated objections to the League scheme and were assured at Locarno that League investigations would not take place until their objections had been discussed by the Council in the presence of German representatives. Now that Germany's entry into the League has, through no fault of her own, been postponed, the result of withdrawing the Control Commission without further delay would be to leave Germany free from supervision of any kind for a period of at least some months which might conceivably drag out indefinitely.

from the Conference of Ambassadors dated May 21 was transmitted to the Foreign Office in Paris despatch No. 955 of May 25. This note was on the lines proposed by the Foreign Office on April 12 (see Volume I, No. 440, note 2), except that in lieu of the recommendation (d) the note of May 21 expressed the confidence of the Conference of Ambassadors that the German Government 'acceptera de reprendre les négociations avec la Commission de Contrôle sur la base résultant des définitions données par cette Commission. Elle a la ferme conviction que, dans ces conditions, il serait possible de réaliser à bref délai un accord dont les travaux ultérieurs de la Société des Nations n'infirmont pas la valeur.'

⁶ Of the Treaty of Versailles. For the scheme for investigation by the League of Nations into the execution of the naval, military, and air clauses of the treaties of peace, which was approved by the Council on September 27, 1924, see *League of Nations Official Journal*, October 1924, pp. 1592-5 (for a text embodying certain amendments see League of Nations document C. 729. 1926. IX.); see also Volume I, No. 205.

No. 12

Viscount D'Abernon (Berlin) to Sir A. Chamberlain
(Received May 22, 8 p.m.)

No. 166 Telegraphic [C 5919/5139/18]

BERLIN, May 22, 1926, 6.15 p.m.

Your telegram No. 71.¹

Minister for Foreign Affairs informs Mr. Addison² that assurances given by Doctor Gaus are of course approved by German government and that there will be no difficulty in confirming them to French Ambassador on the understanding that these assurances are not to be published.

¹ See No. 9, note 5.

² Counsellor in H.M. Embassy at Berlin.

French Ambassador has not yet received instructions mentioned in Paris telegram No. 183.³

³ See Volume I, No. 528. See, however, *Akten zur deutschen auswärtigen Politik 1918-1945*, Series B, vol. i, part 1, No. 227 and subsequent documents, for Franco-German exchanges regarding these assurances.

No. 13

Viscount D'Abernon (Berlin) to Sir A. Chamberlain
(Received May 23, 9 a.m.)

No. 167 Telegraphic [C 5922/481/18]

BERLIN, May 22, 1926, 6.20 p.m.

On visiting Minister for Foreign Affairs this morning Mr. Addison found him somewhat perturbed over a telegram from German Ambassador in London recording a[n] interview with you on the 19th instant.¹

Dr. Sthamer has reported that arising out of complaints as to conduct of German authorities in occupied territory and in particular the illumination of war memorial at Bingen you had expressed strong doubts as to intention of German government to abide loyally by Locarno policy.

Dr. Stresemann said that these minor difficulties in occupied territory arose in the main from difficulty of dealing with so many independent authorities and, he admitted, were largely due to a tactless logic which is part of German character, even adding 'when a German writes politely he ceases to be a German'. He begged Mr. Addison to represent first that he was actively engaged in settling difficulties which had been brought to his notice and would shortly send a memorandum indicating what had been accomplished. He further begged that you should not take these difficulties, however irritating, as indicating in the slightest any desire on the part of the Central government not to carry out to the fullest extent the policy of Locarno. He said 'I stand or fall by Locarno. It is my policy and I should feel deeply hurt were it to be considered for one moment that I and German government have the slightest intention of deviating by one hair's breadth from that policy'.²

Addressed to Foreign Office No. 167 repeated to Coblenz.

¹ See No. 3.

² *v. op. cit.*, No. 226, for Dr. Stresemann's account of this interview.

No. 14

Mr. London (Geneva) to Sir A. Chamberlain (Received May 23, 9 a.m.)

No. 102 L.N. Telegraphic [W 4466/78/98]

GENEVA, May 22, 1926, 6.50 p.m.

Following from Lord Cecil:—

Without any warning to me French delegation at meeting of drafting committee this morning¹ suddenly produced document of which my immediately following telegram² gives text. I immediately said that though I would read it carefully and consider it before the afternoon meeting my impression was that I should have to say that I could not discuss it at all without further instructions from my government. United States representative told me production of this document had rendered his position very difficult and that though . . .³ prepared to consider American attitude towards article 16⁴ at a later stage, at present moment it would be very difficult for him to take any part in such a note. I told a French member of secretariat that I was profoundly surprised and indeed disgusted at action of French delegation and that I feel it had imperilled chances of success of disarmament conference and that I should not be surprised if American delegation left committee immediately. It will be obvious to you that points suggested for enquiry by commissions A and B are substantially those contained in treaty of mutual assistance.⁵ Only thing that seems to me possible to do now is to ask for adjournment of whole discussion to a future session [*sic*] of preparatory commission and of its drafting committee.

¹ See *Documents of the Preparatory Commission for the Disarmament Conference*, Series II, pp. 89-93.

² No. 16.

³ The text is here uncertain.

⁴ Of the Covenant of the League of Nations.

⁵ The draft treaty proposed by the Assembly of the League of Nations in September 1923 is printed as the enclosure in item No. 1 of Cmd. 2200 of 1924.

No. 15

Mr. London (Geneva) to Sir A. Chamberlain (Received May 23, 9 a.m.)

No. 101 L.N. Telegraphic [W 4464/78/98]

Urgent. Secret

GENEVA, May 22, 1926, 6.55 p.m.

Following from Lord Cecil.

Your telegram No. 43.¹

Preparatory Committee will probably adjourn Monday² when delegates will leave. I believe informal discussion now would go far to prevent misunderstanding between ourselves and United States government. I have

¹ Not printed. This telegram of May 21 referred to No. 7 and explained that the requested instructions would be delayed.

² May 24, 1926.

already publicly announced our readiness to discuss further naval agreement (my telegram No. 95)¹ and I am convinced that my leaving here without making any response to Gibson's suggestion would create bad impression in his mind.

I propose therefore on Monday unless otherwise instructed to tell him that we readily agree with his suggestion and that I am instructing Admiralty representative to get in touch with his United States colleague and his Japanese colleague.

¹ No. 2.

No. 16

Mr. London (Geneva) to Sir A. Chamberlain (Received May 23, 12 noon)

No. 103 L.N. Telegraphic [W 4470/78/98]

GENEVA, May 22, 1926, 7 p.m.

Détermination de la méthode et des mécanismes susceptibles mettre rapidement en œuvre secours dont état attaqué pourrait bénéficier, est nécessaire pour permettre cet état calculer réductions ou limitations d'armements qu'il peut consentir, comité rédaction propose donc:

(1) Suggérer au conseil mettre à l'étude — méthodes — ou — règlements — propres: (A) A faciliter réunion du conseil dans délai très court en cas guerre ou menace de guerre. (B) A accélérer élaboration des décisions à prendre par conseil pour donner effet aux obligations du pacte.¹

(2) De charger sous-commission 'A': (A) D'étudier procédure permettant élaboration rapide des recommandations d'assistance militaire prévues par deuxième alinea article 16 du pacte — lorsque conseil aura décidé faire telles recommandations — (B) Étudier mesures à prendre en cas de conflit dont serait saisi conseil et après décision arrêtée par ce dernier pour empêcher développement des hostilités ou leur préparation.

(3) Charger sous-commission 'B' (A) Étudier moyens de perfectionnements, des transmissions télégraphiques et téléphoniques des divers pays avec secrétariat général Société des Nations. (B) Étudier réglementation qui permettra — quand conseil en aura ainsi décidé — apporter rapidement à l'état attaqué secours d'ordre économique et financier qui pourront lui être nécessaires (C) fixer composition et règles de fonctionnement des comités de ressources et de repartition que Société des Nations pourrait utiliser à cet effet (D) établir règles permettant tenir constamment à jour, à l'usage ces comités documentation sur déficiences économiques des divers pays et sur besoins qui en résulteraient pour eux, au cas où ils seraient objet d'agression.²

¹ The Covenant of the League of Nations.

² An English text of this document is printed in *Documents of the Preparatory Commission for the Disarmament Conference*, Series II, pp. 110-111.

No. 17

Sir H. Rumbold (Madrid) to Sir A. Chamberlain
(Received May 24, 9 a.m.)

No. 60 Telegraphic [W 4472/223/98]

MADRID, May 23, 1926, 11 p.m.

Your telegram No. 36.¹

Attitude of Spanish government is exactly defined in first sentence of Geneva telegram No. 87.² I fear it will be very difficult for following reasons to shift Spanish government from that attitude.

In spite of all Spanish government may say to the contrary the securing of a permanent seat on the council has become more and more a question of prestige for Spain.

King, Prime Minister and Minister for Foreign Affairs are at one on this point and Spanish government have so worked up public opinion as to make it very difficult for them to recede from position which they have taken up. Prime Minister's personal prestige is also involved and it has from the first been the aim of the present Minister for Foreign Affairs to obtain permanent seat for Spain. I have endeavoured to explain in various despatches that advent to power of present Spanish government has produced a revival of nationalist spirit which has been increased by recent achievements of Spanish aviators coupled with successes of Spanish troops last year and since resumption of operations in Morocco.³ Failure to secure permanent seat would therefore be felt all the more as a rebuff and as tending to lower Spain in the eyes of Central American and South American states with whom she is in various ways seeking a close rapprochement [*sic*]. Apart from fact that His Majesty's Government have supported Spanish claim in the past Spanish government remember phrase that case of Spain might need 'special treatment'.⁴

If scheme approved by League committee on composition of council had provided for election in September of non-permanent members for three years instead of those members having to submit to re-election in 1927, it might be less unpalatable to Spain, but I fear change agreed to by sub-committee as indicated in penultimate paragraph of Geneva telegram No. 90⁵ will prove serious stumbling block to acceptance of scheme by Spain.

¹ See No. 6, note 3.

² This telegram of May 15 is not printed in Volume I (cf. No. 524 therein). The first sentence read: 'At committee this morning Spanish representative made a declaration that unless Spain were given permanent seat, Spanish Government did not see how they could usefully continue their collaboration with the League.'

³ See the Appendix, p. 932, for an account of hostilities between the Riff tribes and Spain and France: see also *Survey of International Affairs 1925*, vol. i, pp. 105-63. On May 7, 1926, after the failure of the Oudja peace conference, a Franco-Spanish offensive had been resumed, and on May 25 the Riff leader, Abdel Krim, surrendered.

⁴ See Sir A. Chamberlain's speech of March 23, 1926, in the House of Commons: *Parl. Debs.*, 5th ser., H. of C., vol. 193, col. 1080.

⁵ See Volume I, No. 524.

Whilst Spanish government have always maintained that their work on council of League of Nations has been purely disinterested and that Spain has had no axe to grind at any time, there is little doubt in my mind that she hoped through her work on the council of the League to qualify for permanent seat. She will therefore be mortified at what she may consider non-recognition in a practical form of her work on the council. Again whilst up to the present Spain has always secured re-election on council it will be difficult for Spanish government to satisfy public opinion by explaining that she is equally likely to secure re-election in future under new scheme, and I doubt whether argument that substance is more than shadow would appeal to this people. In view of foregoing considerations I am definitely of opinion that it would be useless to endeavour to secure assent to scheme evolved by League of Nations committee through ordinary diplomatic channels. Such *démarche* would fare no better than that which you instructed me to make in March last.⁶ On the other hand a double personal appeal from King George to King of Spain on the one hand, and from yourself or Prime Minister to Spanish Prime Minister on the other hand might produce considerable effect on Spanish government. Appeals ought to be simultaneous and I would suggest that after setting out arguments contained in second paragraph of your telegram under reference both appeals might contain passage to the effect that they are being made with all the more confidence because of recent remarkable demonstrations of gratitude towards England from all over Spain in connection with finding of Spanish aviators⁷ as also sympathy shown by Spanish government, public and press during recent general strike. Some graceful allusion to these two matters—especially to first—would be greatly appreciated here. These people are very susceptible to such expressions of appreciation. I would also submit that arguments which I used when talking to the King (see third paragraph of my telegram No. 26 repeating my telegram No. 2 to Geneva)⁸ would be appropriate if modified to meet altered situation. Finally, although *amour propre* of Spaniards is very great and easily wounded, a suitable allusion to prestige Spain has gained quite recently in several ways might produce a considerable effect on the King and government of Spain and incline them to make necessary *beau geste*.

⁶ See *ibid.*, No. 347.

⁷ In April 1926 Royal Air Force machines had been largely instrumental in finding two Spanish airmen whose aircraft had come down in the Syrian desert.

⁸ See *ibid.*, No. 347, note 2.

No. 18

Sir A. Chamberlain to Mr. London (Geneva)

No. 44 Telegraphic [W 4584/78/98]

Very Urgent. Secret

FOREIGN OFFICE, *May 24, 1926, 12.25 p.m.*

Your tel. No. 101.¹

Following for Lord Cecil.

There is no objection to informal discussions between Admiral Smith² and Japanese and American Admirals.

Admiralty do not wish Admiral Smith to go outside the views in the instructions laid down in the papers he has with him and they cannot of course be committed by such conversations. They do not object to idea of a separate Conference at Washington but they consider that this country's geographical position in Europe necessitates that French and Italians should also be present as at former Washington Conference.

¹ No. 15.

² British Naval Representative on the Permanent Advisory Commission.

No. 19

Mr. London (Geneva) to Sir A. Chamberlain (Received May 25, 9 a.m.)

Nos. 104 and 105 L.N. Telegraphic [W 4561/78/98]

. GENEVA, *May 24, 1926, 7.5 p.m.*

Following from Lord Cecil.

My telegrams Nos. 102 and 103.¹

At the afternoon session May 22nd² I informed committee I had no instructions to discuss French representative's proposal, but that it was open to him to bring it before the Council of the League at its next session, when His Majesty's Government would give it full consideration. Otherwise I must formally ask for discussion to be adjourned. The French representative demurred to this suggestion.

Yesterday evening Boncour³ came to see me. After frank exchange of views, he agreed to my suggestion to substitute for his original proposal the following resolution.

La Commission a été saisie par la délégation française de la très importante proposition suivante: en application du No. 8 du paragraphe A (et du paragraphe B) de la question 5⁴ le comité de rédaction estime que la détermination de la méthode et des mécanismes susceptibles de mettre rapidement en

¹ Nos. 14 and 16 respectively.

² For this session of the drafting committee of the Preparatory Commission see *Documents of the Preparatory Commission for the Disarmament Conference*, Series II, pp. 93-97.

³ M. Joseph Paul-Boncour was French Delegate to the Preparatory Commission for the Disarmament Conference.

⁴ See No. 2, note 2.

œuvre les secours dont un état attaqué pourrait bénéficier est nécessaire pour permettre à cet état de calculer les réductions ou limitations d'armements qu'il peut consentir. Le comité de rédaction propose donc de suggérer au conseil.

(a) A faciliter la réunion du conseil dans un délai très court en cas de guerre ou de menace de guerre.

(b) A accélérer l'élaboration des décisions à prendre par le conseil pour donner effet aux obligations du pacte.⁵

2. De charger la Commission permanente consultative

(a) De préciser les moyens nécessaires pour répondre au No. 8 du paragraphe (a)

(b) D'étudier la procédure permettant l'élaboration rapide des recommandations d'assistance militaire prévues par le 2ème alinéa de l'article 16 du pacte — lorsque le conseil aura décidé de faire de telles recommandations —

(c) D'étudier les mesures au'il [*sic*] serait possible de prendre en cas de conflit dont serait saisi le conseil et — après décision arrêtée par ce dernier — pour empêcher le développement des hostilités ou leur préparation suivant l'exemple du différend Gréco-Bulgare.⁶

3. De charger la Commission mixte⁷

(a) D'étudier les moyens de perfectionnements des transmissions télégraphiques et téléphoniques des divers pays avec le secrétariat général de la société des nations.

(b) D'étudier la réglementation qui permettra — quand le conseil en aura ainsi décidé — d'apporter rapidement à l'état attaqué les secours d'ordre économique et financier qui pourront lui être nécessaires.

(c) De fixer la composition et les règles de fonctionnement des comités de ressources et de répartition que la société des nations pourrait utiliser à cet effet. On a objecté que le but de cette proposition était de définir et d'élaborer un mécanisme pour mettre à exécution les décisions prises par le conseil de la société des nations en vertu de l'article 16 du pacte et au'une [*sic*] proposition constructive de cette nature relève plutôt de la compétence des organismes de la société des nations que de cette Commission. Sans exprimer aucune opinion sur la valeur de cette objection la Commission estime qu'il y a une évidente difficulté à demander à un organisme dont font partie des représentants de pays non membres de la société des nations de discuter de nouveaux moyens d'exécuter les stipulations d'un acte qu'ils n'ont pas signé. La Commission a en conséquence décidé de transmettre la proposition

⁵ The Covenant of the League of Nations.

⁶ For consideration by the Council of the League of Nations of the frontier incidents of October 1925 between Bulgaria and Greece see the Appendix, p. 928: see also *League of Nations Official Journal*, November 1925, pp. 1696-1718, and February 1926 *passim*; for the report of the Commission of Enquiry appointed by the Council see *ibid.*, pp. 196-210.

⁷ For the composition of the Joint Commission appointed to co-operate in economic questions with the Preparatory Commission for the Disarmament Conference see *ibid.*, p. 166, paragraph III (b).

de la délégation française au conseil en lui demandant qu'elle puisse être immédiatement prise en considération.⁸

This the committee unanimously accepted this morning. The United States representative explained that he was bound to refrain from expressing any opinion on the subject and would abstain from discussion.

⁸ For an English text of this proposal and for the meeting of the drafting committee on May 24 when it was adopted see *Documents of the Preparatory Commission for the Disarmament Conference*, Series II, pp. 97-101.

No. 20

Record¹ by Viscount Cecil (Geneva) of a conversation with Monsieur Paul-Boncour

[W 4737/78/98]

GENEVA, May 24, 1926

By arrangement I saw M. Boncour yesterday to discuss some means of avoiding a deadlock over the French proposal for elaborating the machinery under Article 16.² I explained to him the grave difficulties which this proposal caused for me, both politically and personally. Successive British Governments had rejected anything which would increase the obligations of the British Government under Article 16. I myself had been particularly responsible for one of the proposals to that effect, and that made it exceedingly important that I should not seem to be going behind the decision at which the present Government had arrived in this connection.

He assured me that I had greatly exaggerated the import of his proposals. He had never intended to go back to the Protocol³ or the Treaty of Mutual Assistance. His only purpose was to secure that once the Council had decided to take action under Article 16 that action should be rapid and effective. He cited the instance of the Graeco-Bulgarian dispute as showing the kind of procedure which ought to be established. I pointed out to him that his proposals really amounted to a direction to the Military Commission to draw up something in the nature of a military convention for the purpose of carrying out Article 16. He warmly repudiated this construction of his intentions; but I am bound to add that though the discussion lasted some little time, I was not able myself quite to understand the practical difference between elaborating machinery under Article 16 and elaborating machinery

¹ This record was received in the Foreign Office on May 29 under cover of Geneva despatch No. 6 L.N.C.C. (not preserved in Foreign Office archives).

² Of the Covenant of the League of Nations.

³ The Geneva Protocol for the Pacific Settlement of International Disputes, adopted by the Assembly of the League of Nations on October 2, 1924, is printed as item No. 3 in Cmd. 2273 of 1924; Mr. Chamberlain's statement to the Council of the League of Nations on March 12, 1925, explaining why His Majesty's Government felt unable to sign the Protocol, is printed as Cmd. 2368 of 1925.

for carrying out a decision of the Council under Article 16. I told him that whether I had been right or not in my interpretation of his proposal, I had very little doubt that that would be the interpretation given to it by public opinion in England.

I then proposed to him that the matter might be referred to the Council for consideration on the ground that the presence of the Americans on our Commission made it exceedingly difficult to discuss any elaboration of the Covenant. He quite assented to that, provided it was not left to France to raise the question in the Council. As long as the reference to the Council was made by the Preparatory Commission itself he had no objection. The distinction again seemed to me to be immaterial since nothing could be done in the Council except on the motion of one of its members, and therefore in the end the French would have to take action if they wanted anything done.

Incidentally, I reproached M. Boncour with the fact that though I had private interviews with Colonel Requin⁴ in London, he had given me no warning that any proposal of this kind was going to be put forward, nor had I received the slightest intimation of it till it was presented to the Commission. To this, M. Boncour had no reply, though this morning he tried to persuade me that the fact that Colonel Requin had referred to the anxieties of the French Government under Article 16 should have put me 'on notice', as the lawyers say, that they were going to make a proposal of this kind, which shows the argumentative straits to which M. Boncour was reduced.

I ought to add that throughout this incident the conduct of the American delegation has been most friendly and helpful. They have warmly accepted the formula agreed upon between M. Boncour and myself, and went out of their way today to declare in the Drafting Committee that their only object was to assist the deliberations with which we were engaged and that even if on some particular question they felt they could not take any active part, they did not in the least desire that the question should not be discussed.

R. C.

⁴ A French disarmament expert. For these interviews see Volume I, Nos. 495-6.

No. 21

Sir A. Chamberlain to Mr. London (Geneva)

No. 45 Telegraphic [W 4466/78/98]

FOREIGN OFFICE, May 25, 1926, 5.45 p.m.

Following for Lord Cecil.

Your Nos. 102 and 103 L.N.¹

I am in agreement with you as to inadmissibility of major portion of French proposal. It was against this that I warned Boncour in your presence at

¹ Nos. 14 and 16 respectively.

Council sitting when we considered your committee's report.² But in the interest of disarmament I should regret breaking off discussions on this point and at this stage. I suggest for your consideration that we could accept 1 A and perhaps 1 B if more exactly and suitably defined. I gather that 2 A is meant to reproduce these but language seems unsuitable.

2 B seems to me wholly unacceptable.

3 A is I think harmless.

3 B seems to be a variation on 2 B. It is impossible to provide for all cases in advance. Each case must be considered individually.

3 C and D appear to me equally unacceptable whilst the effect of the whole would be to postpone such measures as are immediately practicable to a complicated hypothetical enquiry which must be fruitless.

I suggest that you press the French hard before adjourning on such grounds.³ How much of this is Boncour's personal endeavour to get back to the protocol? I am not satisfied that it is the last word of his government.

These are my personal suggestions only made in the hope that they may be useful to you. They are not in any sense instructions. Cabinet can be called if you wish definite instructions from them, but I myself should prefer to leave you widest discretion within your original instructions for handling the situation.

² For Sir A. Chamberlain's remarks on December 9, 1925, see Volume I, No. 139, note 3. For the report in question by M. Paul-Boncour see *Documents of the Preparatory Commission for the Disarmament Conference*, Series I, pp. 38-42.

³ Cf. No. 20, note 3.

No. 22

Sir A. Chamberlain to Viscount D'Abernon (Berlin)

No. 72 Telegraphic [C 5922/481/18]

FOREIGN OFFICE, May 25, 1926, 7 p.m.

Your No. 167.¹

I presume you have by now received my despatch No. 675² of May 19th, recording the same conversation.

You will observe that Dr. Sthamer reports me incorrectly. I have throughout trusted good faith of Dr. Stresemann and German government and have used what influence I have with other governments to persuade them of it. But I cannot too strongly insist that the unfriendly attitude of the German *authorities* in the Rhineland (it is from the authorities rather than the population that difficulties come) and provocative manifestations such as that at Bingen, while they cannot destroy the policy of reconciliation, do most seriously and even perilously obstruct its development. It is for this reason that I feel so strongly about them. The German government are constantly clamouring for further concessions. I desire them and consider that some

¹ No. 13.

² No. 3.

are due, but I am constantly hampered in my effort to obtain them by the fact (a) that there is no equivalent response from the German side, (b) by petty incidents of this kind which show an ill will on the German side which appears to justify fears and suspicions held in other quarters, (c) by fact well illustrated by Mayor of Bingen that Germans apparently regard any act of good will as a sign of weakness.

I may add that Dr. Sthamer's attitude was very like the Mayor's.

Addressed to Berlin No. 72. Repeated to Coblenz No. 19.

No. 23

Sir B. Alston¹ (Rio de Janeiro) to Sir A. Chamberlain
(Received May 26, 9 a.m.)

No. 28A Telegraphic [W 4631/223/98]

RIO DE JANEIRO, May 25, 1926, 7.10 p.m.

I had conversation with Minister for Foreign Affairs yesterday arising from my asking what he thought of recent meeting at Geneva.

Gist of His Excellency's remarks was that procedure seemed to have been unconstitutional but that whatever view might be taken object of meeting was clearly to get rid of Brazil. This would not affect her aim which she would maintain to the end i.e. that America must be permanently represented. If Brazil was objected to, then until United States were prepared to enter the League, it could be Chile or even Argentine Republic. Why should this be prevented at dictation of Germany who was not even a member of League of Nations and why should danger to peace of Europe be held up as a bogey. There was no question of peace of Europe being disturbed at present moment but this was evidently to be lever for treating Brazil as the bad boy of the family. After all that Brazil had done and all the energy she had put into League of Nations during the past six years she felt very hurt at treatment accorded to her. If however she was not wanted she would go.

I repeated our previous arguments for admission of Germany at the present moment and for Brazil to await her turn later on and I assured His Excellency that there was [*sic* ? were] no grounds whatever for thinking that there was personal antagonism to her. I implored him to reconsider decision not to budge from their present point of view or to leave Assembly of Nations. I said that we were all agreed with point of view of universality of League upon which he was so insistent.

Minister for Foreign Affairs has evidently got fixed idea that it is England and no other country that wants to keep Brazil out and insisted that Germany had assured him that they thoroughly understood Brazilian point of view and were not opposed to it.

He repeated that according to their information, and he knew what he was talking about, whole of South America was solid with Brazil.

¹ H.M. Ambassador at Rio de Janeiro.

He is evidently resigned to fate of Brazil being left out but is very hurt at attitude taken up by Great Britain and dejected no doubt at failure of his policy as he has made work of League of Nations his favourite subject.

On leaving His Excellency I said I had not given up hope of some bridge being found for keeping the family together, but he shook his head very despondently.

I fear that this government has gone too far to retreat but it might be still possible to help them to save their faces.

Have you any fresh arguments or inducements which I could offer? Conversation was very frank and friendly.

Sent to Foreign Office No. 28A, repeated to Buenos Aires for communication to Montevideo and Santiago.

No. 24

Letter from Mr. Roberts (Geneva) to Mr. Cadogan¹

[W 4788/78/98]

GENEVA, May 26, 1926

Dear Cadogan,

I enclose a copy in French of a statement made yesterday in the Drafting Committee by Count Bernstorff² on the subject of the French proposal which has been referred to the Council. I was discussing this statement yesterday with Herr von Bülow,³ who is your opposite number at the Foreign Ministry in Berlin, and I was much struck by a remark of his. He said that in the event of a recommendation by the Council to bring into force the military sanctions contemplated under article 16,⁴ the German government would in any conditions and on principle object to the Council nominating any particular Power as its mandatory for the purpose of applying military pressure against an aggressor State.

Yours ever,
W. ROBERTS

¹ Mr. Roberts and Mr. Cadogan were assistants to the British Delegate to the League of Nations.

² German Delegate to the Preparatory Commission for the Disarmament Conference. For an English text of the statement, not here printed, see *op. cit.*, Series II, pp. 104-5.

³ Dr. Bernhard von Bülow was counsellor of legation in the German Ministry of Foreign Affairs, concerned with questions regarding the League of Nations.

⁴ Of the Covenant of the League of Nations.

No. 25

The Marquess of Crewe (Paris) to Sir A. Chamberlain (Received May 28)
No. 974 [C 6105/112/18]

PARIS, May 27, 1926

Sir,

I have the honour to transmit to you herewith a brief summary of Franco-German relations during the first five months of the present year. This period is important in the development of the relations of the two countries, since it forms the immediate sequel to the signature of the Locarno Conventions.

2. There can be no doubt that since the inception of the Locarno policy the relations of the French and German Governments have become easier.

3. Whilst the majority in the Chamber of Deputies in favour of ratification was large, I do not think it would be correct to argue that Locarno is enthusiastically welcomed either in Parliament or in the country. By the majority of opinion it is considered to be but the best that could be obtained in prevailing circumstances. It would be a mistake to suppose that it is held to constitute an act of generosity on the part of His Majesty's Government.

4. It cannot be said that Germany's attitude with regard to the final liquidation of military disarmament or in the matter of the signature of the Russo-German Treaty has strengthened the hands of the defenders of Locarno. For the time being at least it has certainly weakened them. It is probable too, that among many sections of opinion events at Geneva in March¹ have increased the misgiving with which Locarno is regarded.

I have, &c.,
CREWE

ENCLOSURE IN NO. 25

Memorandum on Franco-German Relations January 1–May 26, 1926

PARIS, May 26, 1926

French like British policy towards Germany has been based since the Peace on the maintenance of the treaties. Unlike British policy it has been deeply influenced by the search for guarantees of security additional to those contained in the treaties.

2. Within the limits of practical politics certain of these additional guarantees, particularly as regards British support in the event of an unprovoked German Attack, are in France generally recognized to be provided by the Locarno Conventions. But the debate in the Chamber of Deputies, where on March 3rd the Government's demand for authority to ratify obtained 431 against 71 votes with 100 abstentions, showed that for certain sections of French opinion the recognition of this fact was not sufficient. These sections of opinion, which were represented by the majority of the Right of the

¹ For documents regarding the German application for membership of the League of Nations see Volume I, Chapter III.

Chamber objected to what was termed the equal treatment by the Locarno system of the ex-Allied countries on the one hand and, on the other, of Germany, who had not that 'respect for signatures' on which the Locarno system was based. The Locarno system was claimed, moreover, to be prejudicial to the position as a Great Power of France, who lost prestige and was liable to be subjected to external interference by becoming a guaranteed but not a guaranteeing power. The Locarno guarantees also were held to be illusory in that they were liable, by being entrusted to the Council of the League, to operate in a dilatory and perhaps in a prejudiced manner. For these reasons and for their weakness in Eastern Europe, certain deputies of the Right were inclined to discount the value of the Locarno guarantees and to prefer 'an alliance which will unite all the continental victors in the war, France, Italy, Belgium, Poland, Czecho-Slovakia, Jugoslavia, Roumania.'

3. The degree of importance attached by the French Government to the strictures passed by the Right on the Locarno system was best illustrated by its decision to admit the evacuation of the First (Cologne) Zone of the Occupied Territory on January 30th. This decision was taken despite the still incomplete state of the military disarmament of Germany, where the important questions of the organisation of the police, of the High Command and of the military associations were still outstanding. The continuance, after the evacuation of Cologne, of the dilatory treatment of these questions by the German Government as well as its difficult attitude towards the liquidation of the details arising out of the evacuation of the Cologne Zone and the conclusion of a civil aviation agreement (not signed until May 7th)² seemed in the eyes of some Frenchmen to afford increased justification for the opposition of the Right to the Locarno system.

4. Despite German obtuseness in the negotiations arising out of these questions, the months of February and March saw important progress in what had now become the dominant question in the relations between Germany and the ex-Allied Powers, the former's entry into the League of Nations. The disarmament and reparation questions having now been put on a more or less settled basis, French opposition to the entry of Germany into the League had disappeared. France indeed had become one of its foremost advocates. She, however, supported also the attribution to Poland of a permanent seat on the Council of the League. On February 12th, at a special meeting of the Council it was decided to summon for March 8th a special meeting of the Assembly to consider Germany's entry into the League.

5. On February 15th Germany made it known that she would admit no alteration in the composition of the Council before she herself took her permanent seat. Around this announcement centred the negotiations preparatory to the meeting of the special Assembly and the difficulties at the Assembly itself. His Majesty's Government were opposed to any action calculated to delay the entry of Germany into the League. Against this

² For the agreement between the governments represented on the Conference of Ambassadors and the German Government, initialled in Paris on May 7, cf. No. 29.

opposition little progress could be made by the French contention that permanent Polish representation on the Council was necessary in the interests of satisfactory Polish-German relations. This difficulty was disposed of in the course of the Geneva discussions which lasted from March 8th until March 16th, and it was the attitude of Brazil and of Spain and not of France and of Poland that prevented on that occasion the entry of Germany into the League. The Powers who had taken part in the Locarno discussions closed the Geneva meeting by expressing their regret that they were not able at that moment 'to reach the goal which they had in view, but they are happy to recognise that the work of peace which they had realised at Locarno and which exists in all its value and all its force remains intact. They remain attached to it to-day as yesterday, and are firmly resolved to work together to maintain and develop it. They are convinced that on the occasion of the next session of the Assembly the difficulties which exist at this moment will be surmounted, and that the agreement which was reached in regard to the conditions for the entry of Germany into the League of Nations will be realised.'³

6. The difficulties raised by Poland and Brazil in the course of the March discussions at Geneva were considered by a meeting of a committee of the League of Nations sitting at Geneva between May 10th and 17th. Subject to reserves on the part of certain Powers including Spain and Brazil, an arrangement was provisionally reached with regard to the future composition of the Council. This arrangement was in principle agreeable to France, Poland and Germany. It was decided that it should be further discussed by the same committee of the League on June 28th.

7. The contemplated entry of Germany into the League and the evidently approaching conclusion of the work of the Control Commissions led, in January, to conversations between the French, British and German Governments on the organisation under Article 213 of the Treaty of Versailles of League supervision of German armaments.⁴ The establishment of adequate machinery for this purpose is looked upon in France as one of the treaty guarantees of French security. The view of His Majesty's Government, which was apparently satisfactory to the French Government, was that the League was empowered by Article 213 to investigate German armaments at any time, that a scheme for the conduct of such investigations had already been approved by the Council of the League, and that if Germany objected to it, it was for her to suggest an amended scheme satisfactory to the Council.

8. The Germans were not slow to use the evacuation of the Cologne Zone as an opportunity for raising the question of the conditions during the remainder of the occupation. So far as these were concerned, concessions had been announced by the Ambassadors' Conference to take effect from the signature of the Locarno treaties. These concessions were not sufficient for the Germans, and in January they began an agitation for the reduction of the numbers of the troops occupying the two remaining zones, not only below the figure occupying those zones prior to the evacuation of Cologne but also

³ See Volume I, No. 360.

⁴ See *ibid.*, Nos. 174, 185, 199, and 205.

to a figure corresponding to the equivalent of the German military effectives of pre-war days. His Majesty's Government found the object of this agitation reasonable in so far as it confined itself to a demand for a strength not exceeding that existing prior to the Cologne evacuation. French military opinion was, however, obviously difficult, and on April 30th His Majesty's Ambassador advised that the question should not be pressed for the moment.⁵

9. The détente which, despite the continued obtuseness of German diplomatic methods, had been an increasing feature of Franco-German relations ever since the signature of the Locarno conventions, suffered a temporary check in April with the shock of the sudden announcement of the imminent conclusion of a Russo-German treaty. The treaty was actually signed on April 24th. The French Government regretted it as likely to exercise a deplorable effect on public opinion, and was at first inclined to question its consistency with the undertakings implicit for Germany in the League Covenant and accepted by her at Locarno. Any precipitate action in this direction has apparently been prevented by His Majesty's Government, who pointed out that the treaty was not in at least formal contradiction with the Covenant or Locarno. Explanations given to Monsieur Fromageot by the German Government's legal adviser seem also to have been useful in tempering the French Government's view of the treaty. French public opinion was unfavourably impressed by the spirit which might lie behind the treaty, and the position of the Government as the protagonist of the Locarno system, was not rendered easier by its conclusion.

10. The Franco-German commercial negotiations, which had been in progress since October 1924, have made little progress during the period under review. Conversations have proceeded on the lines laid down by the protocol of December 19th, 1925, and two temporary and very limited and partial arrangements were signed on February 12th and April 8th.⁶ The absence of any decision as to the new French customs tariff and the continued fall in the franc seemed, as in 1925, to render progress to a final agreement very difficult. This final agreement is intended formally to establish the system under which post-war Franco-German commercial dealings will be effected.

⁵ See *ibid.*, No. 468, note 3.

⁶ See *British and Foreign State Papers*, vol. 124, pp. 407-14 and 414-16 respectively.

No. 26

Mr. Addison (Berlin) to Sir A. Chamberlain (Received May 31)

No. 329 [C 6172/481/18]

BERLIN, May 27, 1926

Sir,

I have the honour to acquaint you that, as reported in Lord D'Abernon's telegram No. 167¹ of the 22nd instant, I visited the Minister for Foreign

¹ No. 13.

Affairs at his request on that date when he entertained me at some length on the subject of your interview with the German Ambassador on the 19th instant. It may be desirable that I should record, for future purposes, fully what passed on that occasion.

2. Dr Stresemann was obviously somewhat perturbed and hurt owing to what has subsequently been ascertained to be a highly coloured account of this interview given by the German Ambassador. According to the extracts from Herr Sthamer's telegram, which Dr Stresemann read to me, the interview had been very heated and you had emphasised in no uncertain terms your opinion that it was a matter of grave doubt whether the German Government intended loyally to abide by the policy inaugurated at Locarno. Dr Stresemann spent some time in explaining to me that this was a doubt which wounded him deeply and he repeatedly uttered the words reported at the end of the telegram under reference to the effect that he 'stood or fell by Locarno'. The minor difficulties in the occupied territory were of no account in comparison with the main issue.

3. I said that, although I had as yet not seen any account of this interview, I yet felt sure that Dr Sthamer's report did not err on the side of moderation. Nobody could be more aware than Dr Stresemann himself of the high esteem and regard in which he was held by you and nobody, far less His Majesty's Secretary of State for Foreign Affairs, could doubt his intention loyally to carry out the obligations into which he had entered in the name of Germany. At the same time, if he would allow me to give utterance to my own untutored thoughts on the subject, it did appear to me that the officials in the occupied territory were so conducting themselves as almost to give rise to the belief that they were animated by a desire to hamper Dr Stresemann's policy and thereby to injure the interests of their country. It was no secret to His Excellency that His Majesty's Government, on all occasions, strove to exercise a moderating influence and that their only desire was that the past should be forgotten and that there should be whole-hearted co-operation directed to the building up of a more hopeful future. It must be exceedingly irritating to the member of His Majesty's Government charged with the conduct of foreign affairs to find that his efforts in this direction were being constantly impeded by what I could only describe as the pompous and shortsighted attitude of local officials on matters of no real importance. To me, for instance, with my ordinary English mind, it appeared incredible that any human being should not see that the illumination, in a territory occupied by foreign troops, of a memorial commemorating the defeat of an army of one of the occupying Powers was so tactless and offensive as obviously to constitute an intended affront. The excuses put forward for this tactless act, such as that it had no political significance and was nothing more than an agreeable spectacle for certain gentlemen after dinner as also that it was similar in character to the annual illumination of the Schloss at Heidelberg (an excuse which had actually been put forward by the Reichskommissar), only served to show a total incomprehension of other people's mentality, which His Excellency had been good enough to

mention to me as being, to his regret, one of the main characteristics of the German character.

4. Dr Stresemann, who at the outset had been rather inclined to adopt the point of view that it was a case of 'much ado about nothing', finally agreed with me that this point of view was not wrong. He added, however, that in this particular instance it was unfortunate that the Rhineland High Commission should not have simply issued an order forbidding the illumination. A piece of paper with the proper stamp on it would have been understood by the Mayor of Bingen but it was too much to expect that the Mayor should, on his own initiative, make himself unpopular by issuing an order which the occupying Powers were not prepared to instruct him to issue. I must confess that there is something in this contention and that, so far as possible, it would be advisable in the future, whenever necessary, that a clear and distinct order be given which Prussian officials can understand, and that no reliance be placed on appeals to utilise tact, a quality which they do not possess.

5. As an aside I would mention that the French Ambassador, the other day, mentioned casually to me the Niederwald incident, and said in this connection that he remembered—as a small boy at Nancy during the Franco-Prussian war—that the Mayor of Nancy always insisted on receiving a written order from General Manteuffel, commanding the German troops of occupation, before he would take any administrative measures likely to embroil him with his fellow citizens.

6. Dr Stresemann dwelt at some length on the great difficulty of exercising pressure on the authorities in the occupied territory owing to the fact that the Central Government could only appeal to the various State Governments from which these local authorities depended. There is of course some truth in this contention although the argument must not be pushed too far. It is true that, except for certain matters, there are in Germany no federal officials, that is, no one to whom the Central Government can issue direct orders. The Government of the Reich must, for the execution of anything which they consider desirable, appeal for and rely on the assistance of the Governments of the various States. I did not, however, at this interview—which had lasted a considerable time—develop any further considerations on this side of the question, and it ended on a most amiable note, His Excellency desiring me again to reassure you completely as to his determination to do all in his power to further not merely the Locarno policy but the Locarno spirit.

7. On receipt of your despatch No. 675² and your telegram No. 72³ of the 19th and the 25th of May respectively, I again visited Dr Stresemann yesterday evening and had a conversation with him which lasted an hour and a half. I found His Excellency in excellent spirits and read to him the relevant portions both of your despatch and of your telegram, supporting it with the appropriate comment in order to enforce your point of view.

8. Dr Stresemann began by saying that obviously Herr Sthamer had, in

² No. 3.

³ No. 22.

the heat of the moment, largely misrepresented what you had said. He was glad to be able to tell me that practically all the questions which had been raised by His Majesty's Ambassador on your instructions had been satisfactorily settled and handed me a memorandum, a translation of which is enclosed in a separate despatch.⁴

9. In the course of my observations to His Excellency I pointed out to him that I could tell him, since you had said so, that you were endeavouring at the present moment to find a solution for many of the difficulties of which the German Government complained. It was because the attitude of the local authorities tended to frustrate these efforts that you felt an irritation which was only natural. Let us cease to go into the merits of each of these small questions since by doing so we run the risk of losing sight of the main issue. For instance, whether the German local authorities had a right to ask—as a counter-concession for the reinclusion of certain districts in the zones still occupied—that no fresh exercise or bombing grounds should be requisitioned, was really beside the point. What was required was that in every question of minor detail the German authorities should be instructed to adopt a conciliatory attitude and not imagine that they were serving the best interests of their country by continual obstruction and haggling.

10. It was easy to see what was happening locally. The officials were still imbued with the spirit which was popular before the Locarno policy had been inaugurated. They failed to understand the change of policy which had occurred and they thought that, by continual petty obstruction, they were not only defending the German cause, instead of hindering it, but were also gaining merit in high places. I was afraid that this was again another side of the inability to understand foreign mentality which His Excellency had mentioned. In Germany there was the well-known process called 'heraus-ekeln'⁵ practised daily on every side, and I could well imagine that the subordinate officials in the occupied territories were simple enough to believe that the application of this process would actually hasten the termination of the occupation instead of producing the contrary effect. There was, however, one asset in the national character, since we were in the domain of psychology, which could be relied on for securing the end we had in view, and that was the fact that the German would obey clear and decisive orders. If I might make a suggestion, the way out of the difficulty appeared to me to be that the respective Governments which these officials obeyed should inform them in clear and unmistakeable [*sic*] terms that on all ordinary occasions they were to adopt what I would call the policy of the 'smiling face' and by their conciliatory attitude smooth away the small difficulties which in any

⁴ Berlin despatch No. 330 of May 28 is not printed. The enclosed memorandum was in reply to a British memorandum discussed with Dr. Stresemann on April 30 (see Volume I, No. 484). Mr. Addison commented that 'on the whole it may be said that the German reply is fairly satisfactory and that most of the concrete incidents to which Lord Kilmarnock alluded in illustration of the obstructive methods of German officials, have either actually been settled or are on the way towards eventual settlement.'

⁵ A note on the file explained that "'Heraus-ekeln'" means "to make someone so disgusted that they clear out".

case were bound to be of daily occurrence. In short, these officials should be reminded and instructed that the advent of the Locarno policy of conciliation meant—not that the Allies had more duties and they possessed more rights, but that the duty of give and take was reciprocal. I had reason to believe that no such general directions had been issued and I ventured to suggest that the time had now come when such a course was advisable.

11. His Excellency had alluded at some length and with reason, at our previous interview, to the difficulties of the Central Government owing to the fact that they could issue no direct commands, but it was possible to exaggerate this difficulty. There were four State Governments concerned more or less in the administration in the occupied territories and of these four practically Prussia was the only one which really mattered. I could not believe that that very able Minister, Herr Severing,⁶ if the situation were properly explained to him and he understood that in the highest interests of Germany such directions were necessary, would hesitate for one second to issue them nor could I believe that, if issued, they would not be promptly obeyed.

12. After some further discussion His Excellency agreed that the local authorities in the occupied area were probably unreasonable and pettifogging (Kleinlich). The fact was that for years the occupied territories had traded on the position of being 'your poor oppressed brethren'. They had been spoilt and petted by the Central authorities. On every occasion they had claimed and obtained the 'first pull at the flask'. They had got everything by whining and whining had now become a habit. As an instance he would tell me, between ourselves, that the area which had been evacuated was by no means satisfied with its new position. It was continually putting forward—and expecting the realisation of—demands which had no longer any justification and the continual reminders from Berlin that the first zone was now free and could claim neither exceptional treatment nor the right to speak in the name of the occupied territory were far from relished. He would add confidentially, that the chief obstructionist and instigator of obstruction in the territory was probably Dr Adenauer.⁷ The latter had traded for years on his position in the manner described. He had led Cologne into a terrible financial mess with his lavish building schemes and his 'ridiculous exhibition'⁸. He had recently made an attempt to escape the consequences of his folly, and failure had not improved his temper. His only chance lay in continuing to pose as the champion of the oppressed and thus he was probably led to exercise his influence in matters which did not concern him.

13. After the fact shall duly have been discounted that Dr Adenauer's recent bid for the post of Chancellor⁹ is not likely to have recommended him to Dr Stresemann, His Excellency's remarks are not without interest as indicating at least that he is aware that obstructionist influences are at work, and that they require some explanation.

⁶ Prussian Minister of the Interior.

⁷ Chief Burgomaster of Cologne.

⁸ The reference was probably to the biannual Cologne Trade Fairs.

⁹ See Volume I, No. 526.

14. I did not fail to indicate that what he had just told me appeared to justify my appeal for the issue of 'instructions for the guidance' of the officials in the occupied territory who, without them, would be unaware that popularity and promotion came from Berlin and Darmstadt and not from the Mayor of Cologne.

15. Dr Stresemann agreed and promised to do his best to secure the issue of such instructions. He said he would—

- (1) Speak to Herr Severing, on the latter's return to Berlin, and appeal to him, in the highest interests of Germany, to issue instructions in this sense;
- (2) Persuade the Chancellor to take action, if necessary, by a visit of personal contact to the Rhineland. As Leader of the Centre, Dr Marx' intervention would have great influence;
- (3) Exert pressure on Brentano, the Hessian Minister of the Interior. Brentano was a personal friend and would not be difficult to persuade;
- (4) Invite the Mayor of Wiesbaden to Berlin. The latter would be highly flattered and he thought that he could easily gain his support, especially if he—Dr Stresemann—promised to pay a visit to Wiesbaden at some future date.¹⁰

I have, &c.,
JOSEPH ADDISON¹¹

¹⁰ Dr. Stresemann's account of this conversation on May 26 is printed in *Akten zur deutschen auswärtigen Politik 1918-1945*, Series B, vol. i, part 1, as document No. 229.

¹¹ A copy of this despatch was sent to Coblenz in Foreign Office despatch No. 214 of June 8, which instructed Lord Kilmarnock to be 'guided by the hint . . . given by Dr. Stresemann [cf. paragraph 4 above], should a similar incident arise in the future'.

No. 27

Sir A. Chamberlain to Sir B. Alston (Rio de Janeiro)

No. 26 Telegraphic [W 4631/223/98]

FOREIGN OFFICE, *May 28, 1926, 6 p.m.*

Your telegram No. 28 A.¹

Events must take their course. I can offer no fresh arguments and am not disposed to make another appeal.

¹ No. 23.

Sir A. Chamberlain to the Marquess of Crewe (Paris)

No. 1560 [W 4699/78/98]

FOREIGN OFFICE, *May 28, 1926*

My Lord,

At my request the French Ambassador called at the Foreign Office on Tuesday last.¹

2. Sir William Tyrrell² described to him the situation which had arisen at Geneva in consequence of M. Boncour, the French representative on the Disarmament Committee, having suddenly produced a document which in essence could be fairly described as a revival of the [Geneva] protocol; and he told his Excellency with what concern His Majesty's Government had received this communication, not only on account of its suddenness, but also on account of its effect upon the prospects of the Disarmament Conference, which might be seriously imperilled. Apart from these considerations, I was considerably puzzled, as I did not realise how far in this respect M. Boncour represented the French Government. This attempt to return to the protocol which had been publicly, if not peremptorily, rejected by His Majesty's Government, whose spokesman I was at Geneva in March 1925, had caused me to ask myself whether the French were not engaged in sawing at the branch which I had built for them at Locarno, thus seriously impairing its carrying capacity.

3. Sir William added that just before his Excellency's arrival a telegram had arrived from Geneva³ stating that, in agreement with Lord Cecil, M. Boncour had decided to substitute for his original proposal the resolution quoted in Lord Cecil's telegram No. 104⁴ of the 24th May for submission to the Council of the League at its next session. He suggested to M. de Fleuriau that, though this expedient solved for the moment the difficulty created by M. Boncour's somewhat sudden proceedings at Geneva, it left the problem itself untouched. This situation could best be summed up in the formula: Do the French Government prefer to base the security of France on the definite, explicit and concrete guarantee provided for under the Treaty of Locarno, or do they prefer to rest it on the nebulous provisions of the now defunct protocol?

4. Sir William begged M. de Fleuriau to call the serious attention of his Government to the situation created by M. Boncour's action, with a view to the French Government reconsidering their position before the next session of the Council of the League.

5. As far as it is possible and permissible for a foreign Ambassador to abound in criticism passed upon his Government, M. de Fleuriau did so on

¹ May 25, 1926.

² Permanent Under Secretary of State for Foreign Affairs.

³ Geneva telegram No. 106 L.N. of May 24, not printed, was a brief summary of No. 20.

⁴ See No. 19.

this occasion, and promised to lay the above considerations before his Government without delay and without fail.

I am, &c.,
(For the Secretary of State)
G. H. VILLIERS⁵

⁵ Head of the Western, General and League of Nations Department of the Foreign Office.

No. 29

The Marquess of Crewe (Paris) to Sir A. Chamberlain (Received May 29)
No. 992 [C 6145/24/18]

PARIS, May 28, 1926

Sir,

With reference to your despatch No. 1539¹ (C. 5860/20[24]/18) of the 26th instant, I have the honour to inform you that the Air Agreement, initialled on 7th May, was signed by the President of the Ambassadors' Conference and the German Ambassador on Saturday, May 22nd.

2. It was understood by all the Delegates who initialled on May 7th that the Agreement would not be signed until the various Governments concerned had given their formal approval in accordance with Paragraph 1 of the Protocol.

3. There is no doubt that the Ministry for Foreign Affairs has shown undue haste in this matter and has been guilty of a technical error. In this connection, Monsieur Massigli² informed the Air Attaché to this Embassy that, as he had not heard from the other delegates for a fortnight, he took it for granted that there would be no objections raised. He pointed out that the letters in the agreement were 'to' and 'from' the President of the Ambassadors' Conference, so that the question of signatures by the Ambassadors concerned did not arise.

4. I would point out, with reference to Section 2 of the Protocol, that agreement in regard to the regulation for restrictions on flying by members of the Reichswehr, Navy and Police and other questions mentioned in Article 5 of Annex 1 to the documents A. and B., has to be reached before 'la mise en vigueur du nouveau régime' and not necessarily before the signature.

5. Monsieur Massigli yesterday informed the Air Attaché that the German delegates, at their final interview with him, fully realised and accepted that

¹ Not printed. With reference to Paris despatch No. 866 (see Volume I, No. 500, note 4) this despatch authorized Lord Crewe to sign the documents constituting the aviation agreement with Germany and congratulated the British delegates on the success of the preceding negotiations. For the text of these documents, including the protocol signed on May 7 and subsequent connected documents, as communicated to the League of Nations, see *League of Nations Treaty Series*, vol. lviii, pp. 332-74; and G. F. de Martens, *Nouveau Recueil Général de Traittés*, Troisième Série (Leipzig, 1909), vol. 16, pp. 895-6.

² Secretary-General of the Conference of Ambassadors.

they should submit drafts on the above points before the coming into force of the Agreement and the withdrawal of the Committee of Guarantee.

6. The German-French Air Convention was signed on May 22nd.³

7. I understand that the German-Belgian Air Convention will be signed this week.⁴ The Belgian delegate has informed the Air Attaché to this Embassy that he was very surprised at Monsieur Massigli's action but considered that no harm had been done. He stated, however, that he was annoyed at the matter having been rushed, as the German-Belgian Air agreement should have been signed on the same date as the German-French Convention.

8. The result of the hasty signature on the 22nd instant without the knowledge of the other delegates enabled French machines to fly to Berlin or across Germany before agreements had been reached enabling other ex-allied machines to perform the same flights. This may explain Monsieur Massigli's action. I would point out that a French machine flew across Germany to Warsaw on May 25th and that the Berlin-Paris line started to operate on May 26th.

9. I have not failed to convey to the British delegates concerned your congratulations on the able manner in which they have represented the views of His Majesty's Government in the course of the negotiations and on the successful results which have attended their efforts.

I have, &c.,
CREWE

³ See *British and Foreign State Papers*, vol. 126, pp. 656-61.

⁴ For this convention, signed on May 29, 1926, see *op. cit.*, vol. 131, pp. 753-9.

No. 30

Lord Kilmarnock (Coblentz) to Sir A. Chamberlain (Received May 29, 9 p.m.)
No. 19 Telegraphic [C 6156/481/18]

Urgent

COBLENZ, May 29, 1926, 6.35 p.m.

My despatch No. 100.¹

High Commission today received report from General Officer Commanding Allied Forces that Germans intend to illuminate Germania statue every day from June 5th to June 12th. Reports from Army Intelligence sources tend to confirm this. French High Commissioner proposes immediate decision of High Commission prohibiting illumination. On the grounds that reports were not fully confirmed I secured postponement of decision till Tuesday² but said I would then be prepared to adhere to it if reports are confirmed.

I feel it is useless to speak again to Reichkommissar and that action at Berlin is the only chance of avoiding a clash. If by Tuesday I can say representations are being made to the German government I can probably restrain

¹ See No. 5, note 2.

² June 1, 1926.

my colleague till the result is known but if such negotiations fail I do not feel that I can refrain from participating in decision.

Addressed to Foreign Office No. 19, repeated to Berlin.

No. 31

Sir A. Chamberlain to Sir R. Hodgson¹ (Moscow)

No. 402 [N 2241/387/38]

FOREIGN OFFICE, May 29, 1926

Sir,

I have read with great interest your despatch No. 348² of the 6th inst. regarding Anglo-Soviet relations. It is right and necessary that both you and I should periodically review the situation and consider the effect and appropriateness in gradually changing conditions of the policy which H.M.G. have hitherto thought it well to pursue. I propose to undertake another review of this nature in the light of your report and will send you a further communication if it should appear to me that any fresh instructions are required.³

[I am, &c.,]

(For the Secretary of State)

C. W. ORDE⁴

¹ H.M. Chargé d'Affaires at Moscow.

² See Volume I, No. 504.

³ Owing to the deterioration of Anglo-Soviet relations no such communication was sent to Sir R. Hodgson, but it would appear that the following undated memorandum by Mr. Hamilton-Gordon of the Northern Department of the Foreign Office was to have been the basis of the proposed review.

'General negotiations with the Soviet would necessarily culminate, if successful, in the signature of fresh treaties. The two draft treaties signed in 1924 [see No. 90, note 3] require modification if they are to form a basis for any renewed negotiations. There are some five essential alterations to be made and a dozen secondary features in which modification is desirable.

'(1) There can be no question of a guaranteed British Government loan on such slender security as was offered in 1924.

'(2) The Soviet must accept categorical liability for the losses sustained by British claimants, and for the obligations of their predecessors.

'(3) The assurances that compensation will be forthcoming were insufficient, no actual terms of settlement having been stated.

'(4) Provision for arbitration with a neutral chairman in the event of a disagreement between the valuers is necessary.

'(5) It is unsatisfactory that, owing to the existence of the Foreign Trade Monopoly, the Soviet Government would have power to exclude British goods, while H.M.G. would be able neither to contest such a decision nor to retaliate.

'In addition to the five essentials already mentioned, the following are some of the modifications which would be desirable in any future treaties:—

'(a) The allegation that "the financial and economic position" of the Soviet Union prevents full satisfaction of the bondholders' claims is damaging to their interests, and constitutes an admission of the Soviet's right to more lenient treatment than other countries which H.M.G. should not be called upon to make.

[Footnotes 3 and 4 continued on next page]

'(b) War Debts are now being funded by other nations and there is no radical reason why Russia should enjoy exemption.

'(c) There are no grounds for allowing the Soviet's claims in respect of the Intervention Period, the Brest-Litovsk gold [i.e. the money paid by Russia to Germany on account of the 6 billion marks ceded by the financial agreement supplementary to the treaty of Brest-Litovsk of March 3, 1918, signed at Berlin on August 27, 1918 (cf. J. W. Wheeler-Bennett, *Brest-Litovsk, The Forgotten Peace, March 1918* (London, 1938), Appendix IX). This money was transferred by Germany to the Principal Allied and Associated Powers under Article 259 of the Treaty of Versailles], and the balance of the former Russian Government with Messrs. Baring Brothers.

'(d) A provision is required that if in any respect better terms are subsequently accorded to a third country, a corresponding concession will be made to Great Britain.

'(e) There is a good case for demanding the full payment of certain Trade Debts, Accepted Bills, etc., outside the lump sum for miscellaneous claims which was to be paid to H.M.G.

'(f) More effective means are necessary for ensuring that undertakings to refrain from hostile propaganda will actually be carried out.

'(g) The grant of diplomatic immunity to the Soviet Trade Representative and his Assistants is open to serious technical objection.

H. G.'

4 A member of the Northern Department of the Foreign Office.

No. 32

Sir A. Chamberlain to Viscount D'Abernon (Berlin)

No. 78 Telegraphic [C 6156/481/18]

FOREIGN OFFICE, *May 31, 1926, 10 p.m.*

Coblenz telegram No. 19¹ (of May 29th. Illumination of Niederwald[d]enkmal near Bingen).

Please speak at once to Stresemann, and say that in view of promised action reported in concluding paragraph of your telegram No. 170,² I presume that this report of fresh illumination is without foundation.

If there appears to be the least doubt on the subject, you should make it clear to Stresemann that I could not but regard any failure on the part of the German authorities to prevent such further manifestation as directly and wilfully provocative.

You should at the same time make it quite clear that if in spite of this warning the local authorities do decide on this illumination, I shall not raise a finger to prevent the High Commission from finally forbidding it.

Repeated to Coblenz No. 20.

¹ No. 30.

² Not printed. The last paragraph of this telegram of May 27, which reported on Mr. Addison's interview with Dr. Stresemann on May 26, corresponded to paragraph 15, §§ (1), (3) and (4) of No. 26.

Sir A. Chamberlain to the Marquess of Crewe (Paris)

No. 132 Telegraphic: by bag [C 5924/1616/18]

FOREIGN OFFICE, May 31, 1926

I learn from His Majesty's Consul at Mainz that the Saar Governing Commission have failed to agree upon a unanimous report in reply to the request made by the League Council for a statement as to the measures necessary to ensure in all cases freedom of transport and transit over the railways of the territory after the withdrawal of the French troops, (see Germany print sections March 2, section 1 and March 29th, section 2).¹ They are accordingly submitting a majority and minority report. The majority report signed by the Belgian, Czechoslovak and French members, states that even in normal times the Commission will require for the above-mentioned purposes that the present Railway Commission of about 70 officers and men should be retained and that there should be attached to it, and stationed in the territory, two battalions of French troops. The retention of troops is sought to be justified on the grounds (1) that the Commission could not grapple with a general strike if the troops had to be brought into the territory even over a distance of a few miles, and (2) that as the Railway Commission is generally recognised as being permissible under the treaty² it is therefore equally permissible to attach to that Commission two battalions of troops.

The minority report signed by the President and the Saar member disagrees with the recommendation for the retention of troops within the territory.

Copies of both the majority and minority reports are enclosed in my despatch No. 1578³ of May 29th.

It is clear that the British delegation at Geneva will in no circumstances be able to concur in the adoption by the League Council of any report involving the retention in the territory, against both the letter and spirit of the treaty, of two battalions of troops.⁴ Not only would it be in contradiction with the Council decision of March 18th, but it would in effect stultify the assurances given during that meeting of the Council by the French delegate to the effect that the French troops were to be withdrawn.

As I am most anxious to avoid an open dispute with the French government at the forthcoming Council meeting, you should lose no time in seeing

¹ The references were to copies, as printed for confidential circulation, of a Foreign Office memorandum of March 2 (not here printed) and of minute No. 1691 of the meeting of the Council of the League of Nations on March 18 (printed in *League of Nations Official Journal*, April 1926, pp. 527-8): see Volume I, No. 308, note 4.

² See paragraph 19 of the Annex to Section IV of Part III of the Treaty of Versailles.

³ This covering despatch is not preserved in Foreign Office archives; texts of the enclosed reports of May 21 are printed in *League of Nations Official Journal*, April 1927, pp. 593-9.

⁴ The German Ambassador in London subsequently, on June 4, represented to Mr. Lampson, Head of the Central Department, that the attachment of these troops to the railway commission was not justified by the terms of the Treaty of Versailles.

M. Briand and expressing to him my disappointment and surprise at the line taken by the French member on the Saar Commission. You should warn him of the serious danger of the situation and urge him strongly to instruct the French delegate on the League Council not to accept the majority report. The French government must realise that by accepting it they will be repudiating the policy on which our two governments had, I hoped, come to a satisfactory agreement. For the sake of obtaining this agreement His Majesty's Government have been prepared to make important concessions to the French government, as set forth in my note to the French Ambassador here of March 1st⁵ (see my despatch No. 680⁶ of March 2nd). Your Excellency might with advantage read this note to M. Briand and make it absolutely clear to him that His Majesty's Government cannot depart from the views therein expressed nor extend the concessions therein offered.

It would be deplorable if the whole of the compromise outlined in this note is now to be destroyed and the question re-opened at the forthcoming meeting of the Council. You should accordingly urge M. Briand most seriously to consider the possibility of instructing the French representative to co-operate with his British colleague on the League Council, in order to arrive at a settlement of this question on the lines outlined in my note to M. de Fleuriau of the 1st March.

There still remains the question of the composition of the Railway Commission. I have not had time to take expert advice on this subject, but *prima facie* the staff of 70 as recommended by the Saar Commission appears to be excessive. But this is a matter which I am prepared to leave for discussion at Geneva.⁷

⁵ See Volume I, No. 308.

⁶ Not preserved in Foreign Office archives.

⁷ With reference to these instructions Lord Crewe reported in Paris despatch No. 1035 that he had on June 2 left an *aide-mémoire* with M. Briand, who promised to look closely into the question, but refused to accept the proposition that the retention of two French battalions in the Saar territory was not far from the maintenance of a military occupation. On June 6, in Paris despatch No. 1055, Lord Crewe transmitted the French reply of June 5 in which M. Briand rejected the British view of the position.

No. 34

Sir A. Chamberlain to the Marquess of Crewe (Paris)

No. 1586 [C 6145/24/18]

FOREIGN OFFICE, *May 31, 1926*

My Lord,

With reference to your despatch No. 992¹ (1/160/1926) of the 28th May relative to the signature of the German aviation agreement, it is clear that the procedure followed by the Secretariat General of the Ambassadors' Conference was incorrect; in order to avoid such mistakes in future it is desirable

¹ No. 29.

that strong representations on the subject, in such form as you think most suitable, should be made in the proper quarter. In doing so it should be pointed out to the Secretariat General that when they advised the President of the Ambassadors' Conference to sign the agreement on behalf of His Majesty's Government before the latter's authority had been obtained they were exposing Monsieur Cambon to the risk of being placed in a most undignified position should His Majesty's Government for any reason have felt themselves obliged to delay or even withhold their signature.

2. As it happens, His Majesty's Government, though objecting in principle to the procedure adopted, welcome the actual signature of this agreement, and trust that a speedy agreement with the German Government on the outstanding points referred to in paragraph 4 of Your Lordship's despatch may enable its provisions to be actually put into effect in order that the [Aeronautical] Committee of Guarantee may be withdrawn from Berlin at an early date. It is hoped, therefore, that you will cause the progress of this question to be carefully watched in order that its final liquidation may not be unduly delayed.

I am, &c.,
(For the Secretary of State)
MILES W. LAMPSON

No. 35

Sir A. Chamberlain to the Marquess of Crewe (Paris)

No. 1591 [W 4872/78/98]

FOREIGN OFFICE, May 31, 1926

My Lord,

The French Ambassador, learning that I was myself going to attend the meeting of the Council at Geneva, came to see me this afternoon.

He expressed his hope that M. Briand might be able to attend for part of the time, though it would not be possible for him to spend the whole week at Geneva. I replied that I earnestly hoped that the President of the Council would come for a day or two if it were in any way possible, as I was a good deal concerned at the difference of opinion which had developed between the French and British Governments on the subject of disarmament. M. de Fleuriau said that he had not been surprised to receive the communication which I had asked Sir William Tyrrell to make to him upon this subject¹ and that indeed from his knowledge of the position he could have written the communication himself as being what the British Government certainly would feel. He led me to understand that he himself and some of his friends in Paris had been rather concerned at the line taken in the French proposals, which he attributed to the personal views of M. Boncour. I had formed the same opinion and it is for this reason that I am so anxious that M. Briand

¹ See No. 28.

should represent France when this subject comes under discussion. M. Boncour appears to be always trying to work back to the Protocol, and he insists upon propounding questions which cannot be satisfactorily answered in terms capable of universal application. What especially preoccupies me is the effect which pressing these questions may have upon the view taken in our respective countries of the Treaty of Locarno.

I asked M. de Fleuriau if he had any recent news from Poland. He replied that he had none of consequence, but that it would appear that Marshal Pilsudski had the situation entirely in his own hands. The Ambassador expressed the view that the general European outlook was good at the moment, and that there was nothing to cause any special anxiety.

I am, &c.,

(For the Secretary of State)

G. H. VILLIERS

No. 36

The Marquess of Crewe (Paris) to Sir A. Chamberlain (Received June 2, 8.30 a.m.)

No. 202 Telegraphic: by bag [C 6270/234/18]

PARIS, June 1, 1926

My despatches Nos. 817 and 1024 of May 3rd and June 1st.¹

2. Pertinax² in commenting in today's 'Echo de Paris' upon the meeting at Luxembourg on May 30th of a 'Franco-German Committee of study and information'³ recalls his articles of March last. In these he urged that the way of escape from the dangerous illusions of Locarno and the position of subordination to Great Britain and Italy to which it had condemned France was a direct 'rapprochement' with Germany. Pertinax claims that the expression of common views by the French and German representatives at the Geneva Economic Conference of April⁴ was the first indication of this coming 'rapprochement' and he apparently sees in the Luxembourg meeting further proof of this tendency.

3. I think that, as Pertinax hints, it is probably true that the possibility of better Franco-German relations is seriously occupying the minds of the Quai d'Orsay at the moment. But I should not argue, as Pertinax and, I understand also certain members of the Quai d'Orsay staff are almost inclined to pretend that such a 'rapprochement' would necessarily be inimical to British interests. It might be the result of a growing realisation in France that the Locarno guarantee is as much as will ever be obtained from Great Britain and that, if that guarantee is in fact in any respect considered to be

¹ Not printed. These despatches referred to reports regarding possible understandings between German and French industrialists.

² Pseudonym of M. André Géraud, a prominent French political journalist.

³ Cf. *Akten zur deutschen auswärtigen Politik 1918-1945*, Series B, vol. i, part 1, No. 233.

⁴ For the report on the first session of the Preparatory Committee for the International Economic Conference, held at Geneva from April 26 to May 1, 1926, see *League of Nations Official Journal*, June 1926, pp. 816-30.

inadequate or unsatisfactory in France, its operation can be rendered more remote by the promotion of better Franco-German relations.

4. Mr. Phipps⁴ enquired of Monsieur Berthelot⁵ today whether he was hopeful of a fruitful result of the Luxembourg meeting. Monsieur Berthelot replied that he had great hopes in that respect. Franco-German economic interests were closely inter-dependent and he thought that only good could come out of such meetings. Indeed the whole political situation might be altered for the better as a result thereof. Monsieur Berthelot added most decisively that it would be folly to imagine that there could be any intention hostile to Great Britain in economic arrangements to be concluded between France and Germany. On the contrary, such arrangements could only react favourably to Great Britain.

⁴ Minister in H.M. Embassy at Paris.

⁵ Secretary-General of the French Ministry of Foreign Affairs.

No. 37

Sir A. Chamberlain to Sir H. Rumbold (Madrid)

No. 270 [W 4472/223/98]

FOREIGN OFFICE, *June 1, 1926*

Sir:—

With reference to your tel[egram] No. 60¹ of the 23rd ult[imo] I transmit herewith letters from His Majesty the King to King Alfonso and from the Prime Minister to General Primo de Rivera, together with copies thereof for your information.

2. As soon as possible after the receipt of this despatch Your Excellency should obtain an audience of the King and should deliver to him His Majesty's letter. You should also personally deliver the Prime Minister's letter to General Primo de Rivera.

3. Both in your audience with King Alfonso and in your interview with General Primo I leave it to Your Excellency's discretion to use such arguments as you may consider helpful to the cause in which His Majesty's Government are so deeply interested.

[I am, &c.]

(For the Secretary of State)

G. H. VILLIERS

ENCLOSURE 1 IN No. 37

Letter from H.M. King George V to H.M. the King of Spain

BUCKINGHAM PALACE, *May 31, 1926*

You will, I feel sure, not be surprised to hear with what keen interest, though with some anxiety, I have followed the recent deliberations of the Committee of the League of Nations resulting in definite proposals as to the

¹ No. 17.

composition of the Council. I heartily sympathise with Spain's desire for a permanent seat on the Council and fully understand your natural regard for the honour of your Country: but it is now abundantly clear that any departure from the provisions of the Covenant in regard to permanent seats will raise so many invidious and well-nigh insoluble difficulties as seriously to jeopardise the future of the League. At the same time I and my Government appreciate so deeply the valuable and indeed indispensable co-operation of Spain in the work of the League that I do most earnestly trust that you and your Government will see your way to accept the Committee's new scheme. Under this arrangement I have no doubt there will always be a Spanish representative on the Council for many years to come and that Spanish influence in Europe will thus remain undiminished and as powerful in the cause of peace as heretofore. The recent remarkable achievements of your Army and the feats of the heroic Spanish aviators have once more demonstrated the greatness and virility of Spain. Her position in the world is assured and were she now to waive her claim to a permanent seat on the Council I am convinced that, far from lessening her prestige it would, if possible, be enhanced by an action in such true accord with the spirit of the League.

I send this letter prompted not only by my personal affection for you, but conscious of the very happy relations which exist between our two countries at the present time. These relations have been still further strengthened by the spontaneous and cordial feelings towards England manifested throughout Spain in connection with the finding of the Spanish aviators: and by the universal sympathy shown by the Spanish Government, the public and press during the recent general strike in England. Such demonstrations of solidarity have deeply touched me and my people and will be cherished by us in grateful remembrance.

My confidence in the inborn generosity of the Spanish character emboldens me to hope for a favourable response to my appeal: and to find in it another striking proof of the devotion of Spain to the League of Nations and to the cause of Peace for which it stands.

GEORGE R.I.

ENCLOSURE 2 IN No. 37

Letter from the Prime Minister to General Primo de Rivera

10 DOWNING STREET, May 31, 1926

My dear Prime Minister

The importance of the subject on which I take leave to address you and my regard for your Government and Nation will alone explain the very unusual step which I take in thus writing personally to you.

His Majesty's Government as long ago as 1921 proposed through Lord Balfour,² their then representative at Geneva, the election of Spain to a permanent seat on the Council of the League, and it was our earnest hope

² Lord President of the Council 1919-22 and 1925-9.

that Sir Austen Chamberlain might have been able to repeat this proposal with success at the meeting of the Council in March. Your Excellency is no doubt fully informed of the circumstances which prevented this wish from being realised. If the claim of Spain had stood alone, it is likely that it would have been accepted either at once or after a brief interval, but the emergence of similar claims, far less justified in the view of His Majesty's Government, on behalf of some half-dozen States aroused general alarm in the Assembly and made it clear that any departure from the original classification must be a matter of heated and prolonged controversy which would not only seriously delay and all too probably prevent the entry of Germany but would fail to preserve in the Council the unanimity required by the Covenant.

Now that the efforts of the committee charged with the task of suggesting a solution of this vexed question have resulted in the formulation of a definite scheme, I venture to express to Your Excellency my earnest hope that the Spanish Government will see their way to accept that scheme in its entirety.

The desire of Spain for permanent representation on the Council of the League is very natural in a nation which has played so proud a part in history and counts for so much today. If it could be realised we should be the first to rejoice at this recognition of past and present triumphs. But it is beyond our power to secure its success, and in the sure knowledge of Spain's devotion to the League and its great ideals I now appeal to Your Excellency to lend your valuable support and co-operation to the efforts which His Majesty's Government are making to secure general assent to the proposals of the committee. His Majesty's Government consider their adoption to be of vital importance since a renewal of controversy in regard to the allocation of permanent seats on the Council must be fruitless and may seriously diminish for a time at any rate the authority of the League. I know from the mouth of my colleague, the Foreign Secretary, how valuable the co-operation of Spain has been and in what high regard, none higher, her representative is held alike by his colleagues in the Council and in the Assembly. I feel confident that under the proposed scheme a Spanish representative will be retained on the Council of the League as long as possible and re-elected as soon as possible and that Spain, whether on the Council or in the intervals as a leader in the Assembly, will continue to exercise that influence in international affairs which is hers of right.

My faith in Your Excellency's far-sighted statesmanship and in the magnanimous spirit of the great nation over whose destinies you preside would lead me at any time to hope that my appeal would not be in vain. But at this propitious moment I am more than ever confident of success. Recent events have afforded a striking proof of the strong affection which each of our countries bears towards the other: victory has crowned the Spanish arms and shed new lustre on the name of Spain; the moment is opportune for such a contribution by Spain to the cause of general peace and the act of self-denial which she is called upon to perform can but win for her fresh admiration in the eyes of the whole world.

Believe me, &c.,
STANLEY BALDWIN

No. 38

Mr. London (Geneva) to Sir A. Chamberlain (Received June 2, 1.10 p.m.)
No. 110 L.N. Telegraphic [W 4931/78/98]

GENEVA, June 2, 1926, 12.15 p.m.

Following from Temperley¹ for D.M.O. and I² 1 War Office T6.

French delegation this afternoon in reply to question 1B of Questionnaire proposed to define peace armaments as those which can be used without measures of mobilisation. German and U.S. representative[s] took up the standpoint that they could not accept any definition which did not include trained reservists. Efforts to reconcile these conflicting views failed and vote will be taken tomorrow. This afternoon I had agreed to accept French definition on the understanding that this should not preclude possibility of discussing under question 2 an inclusion for the purposes of limiting armaments of elements in addition to peace armaments as defined above (See report of preparatory commission (CPD-CR-15).³ We therefore propose to restate the position tomorrow and support French attitude. It is clear that French attitude is dominated by desire to divide armaments into two categories only consisting of (a) peace time armaments as defined above and (b) ultimate war strength, and to show that as (b) cannot be limited any disarmament scheme must be restricted to (a). This would rule out inclusion of immediately mobilisable forces.

Part 2.

I discussed this with Lord Cecil before he left and on reconsideration he was inclined to doubt whether it was wise to press our view which would probably receive no support except from American and German governments. French view is that it is impossible to impose restrictions on any government as to its power to call up reserves once mobilisation is ordered and that their scheme automatically produces almost the same result as ours. I consulted Dutch military representative an expert on mobilisation, and a man on whose judgment I rely, and he said that technically this view was sound. Please inform me whether, when the matter comes up in discussing question 2A original instructions should be modified.

Please inform Air Ministry.⁴

¹ Colonel Temperley was British representative on sub-commission A of the Preparatory Commission (see No. 1, note 3), which was continuing its study of the disarmament questions referred to it by the Preparatory Commission after the latter body's adjournment on May 26.

² Lieutenant-General Burnett-Stuart, Director of Military Operations and Intelligence.

³ This report of May 26, 1926, is printed as Cmd. 2681 of 1926.

⁴ Colonel Temperley received, in Foreign Office telegram No. 49 to Geneva of June 3, the following reply from General Burnett-Stuart: 'I consider French definition obviously incomplete. When reservists are held liable to recall under their original contract or enlistment, and the arms for them are in store, they cannot be excluded from any definition for peace strength. Better keep to your original instructions, and advance only the sound professional view regardless of who may agree or disagree.'

No. 39

Viscount D' Abernon (Berlin) to Sir A. Chamberlain (Received June 3, 9 a.m.)
No. 182 Telegraphic [C 6335/481/18]

BERLIN, June 2, 1926, 8.34 p.m.

My immediately preceding telegram.¹

It is uncertain whether the intention to illuminate Denkmal originally existed or not but Minister for Foreign Affairs has shown himself ready and indeed anxious to prevent any incident of a nature to cause irritation and spoke strongly to the local authorities. He appears thoroughly to realise how injurious to the whole policy of Locarno these episodes may be. But the point to which he constantly recurs is failure to reduce troops of occupation according to engagement.

Addressed to Foreign Office No. 182. Repeated to Coblenz.

¹ Not printed. In reply to No. 32 this telegram reported that Lord D'Abernon had been 'informed officially that there is now no intention in any quarter to repeat illumination of Niederwald[d]enkmal.' Lord D'Abernon had previously reported in Berlin telegram No. 175 of May 31 that he had strongly urged on Dr. Stresemann the undesirability of the proposed illumination and that Dr. Stresemann had promised to telephone at once to Darmstadt.

No. 40

Sir A. Chamberlain to the Marquess of Crewe (Paris)
No. 135 Telegraphic: by bag [C 6270/234/18]

FOREIGN OFFICE, June 2, 1926

Your telegram No. 202.¹

I agree with the view you express in paragraph 3. I rejoice in any form of rapprochement between France and Germany which in so far as it is obtainable must assist the development of the policy of pacification pursued by His Majesty's Government.

I do not think that any special declaration in this sense is necessary but you will bear this in mind if the subject recurs. I do not wish the French government to suppose that we doubt their loyalty or desire to keep Franco-German antagonisms alive for some selfish purpose of our own. This would be contrary to the whole spirit of all that we have done and are still seeking to do.

¹ No. 36.

No. 41

Sir A. Chamberlain to the Marquess of Crewe (Paris)

No. 1611 [W 4963/78/98]

FOREIGN OFFICE, *June 2, 1926*

My Lord,

The French Ambassador, who yesterday left with Mr. Gregory¹ the attached note, to-day repeated to me verbally the explanations contained in it, but without adding anything material to them.

2. I asked whether he knew if Monsieur Briand would be able to visit Geneva, and was glad to hear that, though he had received no direct information from Monsieur Briand himself, he had heard from Monsieur Clauzel² that Monsieur Briand intended to go to Geneva on Sunday³ and to spend at least a couple of days there.

I am, &c.,

(for the Secretary of State)

G. H. VILLIERS

ENCLOSURE IN No. 41

Note Communicated by the French Ambassador

AMBASSADE DE FRANCE A LONDRES, *le 1^{er} juin 1926*

M. Briand estime qu'il n'y a pas eu à Genève de *grave* différend entre les délégations française et britannique de la Commission du désarmement. Le Délégué français n'a pas eu l'intention de rouvrir, à propos de la question de sécurité et de l'application de l'article 16,⁴ la question du Protocole de 1924. S'il a fait allusion à ce Protocole et aux résolutions de l'Assemblée de 1924,⁵ ce fut uniquement afin d'affirmer que la délégation française à la Société des Nations avait toujours fait preuve d'un esprit de conciliation dans l'étude de toutes les mesures de désarmement compatibles avec le principe de sécurité.

La base des instructions qu'avait reçues M. Paul Boncour et dont Lord Cecil connaissait le sens général était le lien indispensable entre la sécurité et le désarmement. Ce système était aussi celui de la majorité de la Commission. La question à déterminer est le bilan des possibilités de désarmement résultant des garanties de sécurité. Le renvoi de cet examen au Conseil en vue de le confier aux organes techniques de la Société des Nations n'a pas soulevé d'objection de la part de la délégation américaine parce que ce renvoi plaçait hors des discussions de la Commission du Désarmement l'application de l'article 16 du Pacte. Dans ces conditions, le renvoi au Conseil a été décidé sans aucune arrière-pensée d'évoquer à nouveau devant celui-ci la question du Protocole de Genève.

¹ An Assistant Under-Secretary of State for Foreign Affairs.

² Head of the League of Nations Service in the French Ministry of Foreign Affairs.

³ June 6, 1926.

⁴ Of the Covenant of the League of Nations.

⁵ See Cmd. 2273 of 1924, items 1 and 4.

No. 42

The Marquess of Crewe (Paris) to Sir A. Chamberlain (Received June 3)

No. 1034 [C 6302/436/18]

PARIS, June 2, 1926

Sir,

With reference to my telegram No. 195¹ of May 27th, section 1, I have the honour to transmit to you, herewith, a draft letter submitted by the French delegation to the Ambassadors' Conference for communication to the German Government in reply to the latter's letter of March 5th 1926² requesting an increase in the number of police effectives.

2. I presume that you will not be willing to accept the last paragraph of the draft letter. Would it be possible to accept the words 'La Conférence n'a pas décidé de consentir une augmentation des effectifs de la police telle qu'elle a été fixée par la note de Boulogne³.'?

3. With reference to paragraph 4 of your despatch No. 1230⁴ (C 4855/436/18) of April 22nd, I would point out that the matter was brought up at the meeting of the Conference on May 27th owing to enquiries by the German Chargé d'Affaires in Paris as to whether a reply might shortly be expected to the German Embassy's letter of March 5th 1926. In present circumstances therefore it does not seem much more objectionable to reply to the German enquiry in the manner suggested in the second paragraph of this despatch than to return no reply at all. It is even possible that such a reply may, as the French affect to think, induce the German Government to make some new offer.

4. I have informed the Secretariat of the Ambassadors' Conference that the draft letter has been submitted to His Majesty's Government for their consideration and that no action should be taken pending a further communication. I shall be grateful if I may be furnished with your views in the matter at an early date.

I have, &c.,
CREWE

ENCLOSURE IN No. 42

Projet de Lettre à l'Ambassadeur d'Allemagne

31 Mai, 1926

Par lettre, en date du 5 Mars 1926, vous avez bien voulu signaler à nouveau à la Conférence des Ambassadeurs l'intérêt qu'attacherait le Gouverne-

¹ Not printed. This telegram reported on the meeting of the Conference of Ambassadors on May 27. Section 1 recorded that the French delegation undertook to draft a note to inform the German Government that the Conference of Ambassadors had not agreed to any increase in the number of German police effectives.

² See No. 11, note 3.

³ This note of June 22, 1920, from M. Millerand as President of the Conference of Boulogne, to the German Government, laid down that the German police strength should be 150,000: see First Series, Volume VIII, Chapter V. The note is printed as item No. 166 in Cmd. 1325 of 1921.

⁴ See Volume I, No. 448.

ment allemand à voir augmenter les effectif de police accordé[s] à l'Allemagne conformément à la Note de Boulogne, en faisant valoir les arguments d'ordre divers qui, d'après lui, justifier[ai]ent cette augmentation.

Les explications données à cet égard dans la lettre précitée de Votre Excellence ont, d'autre part, été complétées à diverses reprises par des renseignements oraux fournis par vos collaborateurs ou par des experts venus à Paris.

La Conférence n'a cependant pas pu trouver dans ses arguments de[s] raisons de droit ou de fait assez graves pour donner satisfaction aux demandes présentées au nom du Gouvernement allemand, et l'augmentation des effectifs de la police, telle qu'elle a été fixée par la Note de Boulogne⁵ et qui représente, pour l'ensemble du Reich, par rapport aux chiffres de 1913 une très sensible augmentation, paraît amplement suffisante pour faire face aux besoins des Etats allemands. Dans ces conditions, la Conférence ne peut que reconnaître l'impossibilité où elle se trouve de consentir de nouveaux accroissements d'effectifs demandés par votre lettre précitée.

⁵ In Foreign Office despatch No. 1637 to Paris of June 5, Sir A. Chamberlain proposed that the preceding portion of this paragraph should read: 'Tout en tenant compte de ses arguments de droit et de fait, la Conférence, dans les circonstances actuelles, ne peut que s'en tenir aux chiffres tels qu'ils ont été fixés dans la note de Boulogne'.

No. 43

Viscount Chilton¹ (Vienna) to Sir A. Chamberlain (Received June 7)

No. 151 [C 6466/1289/3]

VIENNA, June 2, 1926

Sir,

With reference to my Despatch No. 91² of March 31st, 1926, concerning the agitation for an economic union between Austria and Germany, I have the honour to report that Dr. Schürff, the Federal Minister of Commerce, has discussed this matter in an interview recently given in a German newspaper, the 'Dresdner Nachrichten'.

2. According to the accounts of the Vienna newspapers, which appear to reproduce the interview verbatim Dr. Schürff began by pointing out the great difficulties in the way of an economic arrangement between the two countries because they are competitors not only in manufactures but also in agriculture. The fact that an economic agreement was come to in 1920 and that supplementary agreements have since been concluded³ shows that a community of race and culture can overcome great economic conflicts of interests. The Minister went on to say:—

¹ H.M. Minister at Vienna.

² See Volume I, No. 390.

³ These agreements of September 1, 1920, and July 12 and December 27, 1924, are printed in *British and Foreign State Papers*, vol. 121, pp. 994-1013 and vol. 125, pp. 121-49 and 149-50, respectively.

'The ideal would naturally be an Austro/German Custom union, but the realisation of this is hampered not only by regard for foreign countries, but also by the fear of certain temporary difficulties at home. Further, a customs-political incorporation of Austria with the Reich would only have a partial success. The tendency of the world's economy leads more and more to the ripening of the idea of an economic Continental block. All attempts so far made to reach a close economic union of only two or several States like all attempts to create a close economic cooperation within the Succession States of Austria-Hungary have failed. Considerable time will probably pass before the realisation of a great European economic unity. This interval can be made use of in connection with the relations between Austria and the Reich. There are possibilities in this way even within the limits of the existing Treaties. The Peace Treaties must be observed, and further, Austria in particular must not overlook the Geneva Protocols of 1922.⁴ However, a settlement of the question whether a special customs regime between Austria and the Reich is compatible with those Treaties could be a subject of negotiations. The most-favoured-nation clause which is contained in the Commercial Treaties so far concluded by both States, would certainly not cause great difficulties, as this does in principle not apply to a special customs union. Apart from this one could already make existing customs Treaties to fit mutual requirements more exactly, and a commercial-political cooperation between the two countries could be carried out with reference to third States, somewhat as was done between the Reich and the old Austria/Hungary in the era of the Caprivi Treaties.⁵ Further, one could bring about a great approximation of the customs tariffs to each other, develop economic organisations which serve trade and traffic on both sides, and, for instance, extend the exemplary cooperation of the trade fairs to the whole economic sphere.'

3. The Minister concluded by saying that more depended on the spirit than on the form and that the protectionist tendencies in Austria and Germany could not hinder economic approximation. Finally, he appealed to the business circles in both countries 'to prepare an economic union and so facilitate the great political decisions of the future which would naturally result therefrom.'

4. Dr. Schürff is a member of the German National or Pan-German Party, and when this is taken into account his remarks appear very guarded, and calculated rather to discourage any agitation for an economic 'Anschluss' in the near future. As a matter of fact the Austrian Government has been attacked of late by Pan-German enthusiasts for conducting the negotiations

⁴ For the three protocols constituting the agreement between Great Britain, Czechoslovakia, France, Italy, and Austria for guaranteeing a loan to Austria, signed at Geneva on October 4, 1922, and for the confirmatory resolution of the Council of the League of Nations see *op. cit.*, vol. 116, pp. 850-60. See also the Appendix, pp. 928-9.

⁵ General von Caprivi was German Chancellor, 1890-4. The most important treaty of this period between Germany and Austria-Hungary was that of December 6, 1891, printed *op. cit.*, vol. 83, pp. 169-251.

regarding the recent Supplementary Commercial Treaty with Germany just as if that country was comparable with any other foreign State. The fact is, whatever the Minister may say to the contrary, that quite apart from any consideration of foreign politics the increased protectionist tendencies prevalent in Austria at present are an obstacle to the ideal of a customs union. The 'heavy industries' in particular are demanding further protection against German competition and the Tariff Amendment Law referred to in my Despatch No. 85⁶ of March 19th last provides for this, particularly in the case of iron and steel. Some system of preferential duties, such as the Minister also mentions, would be much more acceptable from this point of view, and it is significant that the Minister mentions this as a matter of a possibility which might be the subject of negotiations.

I have, &c.,
CHILSTON

⁶ Not preserved in Foreign Office archives. The amendment in question was passed by the Austrian National Assembly on March 18.

No. 44

Sir A. Chamberlain to Viscount D'Abernon (Berlin)

No. 729 [W 4995/78/98]

FOREIGN OFFICE, *June 3, 1926*

My Lord,

The German Ambassador made two communications to me today on the subject of recent proceedings at Geneva.

The first referred to the commission on the composition of the Council and to a reservation, or so the Ambassador described it, made by the Italian representative.¹ This reservation had led to a conversation between Count Clauzel and Herr von Hoesch.² Herr Sthamer was instructed to inform me that Germany was prepared to accept the proposed extension of the number of elective seats, and that if the Council thought fit not to summon the Committee again, but to refer its provisional report to the members of the League and to leave the matter there until the meeting of the Assembly, the German Government offered no objection. The Ambassador desired to make it clear that the German Government did not desire to take an initiative in proposing any particular course, but only wished that I should know that if this course, which had been indicated by Signor Scialoja's reservation and Count Clauzel's conversation, should approve itself to the Council, it would not be opposed by Germany.

I replied that, as I understood it, the committee had itself only given a provisional assent, or first reading, to this report and that it had contemplated

¹ The reference would appear to be to the remarks of Signor Scialoja, Italian delegate to the League of Nations, on May 15: cf. Volume I, No. 525.

² German Ambassador at Paris and delegate to the Committee on the Composition of the Council of the League of Nations.

that it would meet again towards the end of this month, when it would give a second reading to this report, and proceed to seek a solution of the question of the permanent seats. His Majesty's Government had certainly been under the impression that a further meeting of the committee was necessary lest, when the Assembly meets in September, we should be as far from agreement as we were in March. I would bear in mind what he had said as to the attitude of the German Government, which, as I understood it, amounted to this, that they were equally prepared to continue the discussion in the committee or to close the proceedings of the committee and postpone discussion till the Assembly; that they did not wish to press either course or even to express a preference for one over the other, but that they desired me to know that whichever of the two commended itself to the Council would be acceptable to them. The Ambassador confirmed this view.

The Ambassador's second communication related to the Committee on Disarmament and to the proposal made by M. Boncour which was referred by that committee to the Council. Here the Ambassador, remarking that I had no doubt seen Count Bernstorff's declaration to the committee of the 25th May,³ said that he desired to repeat to me the communication made yesterday by the counsellor of the German Embassy to Lord Cecil⁴ as to the awkward position in which the German Government found itself. Germany was not yet a member of the League. She had been able to accept the invitation to take part in the Committee on Disarmament because a similar invitation had been addressed to other States not members of the League and accepted by one of them; but for reasons of internal policy Germany could not afford to be associated in a League organ until after her entry into the League. Germany would thus be obliged to refuse any invitation to join the Council of the League for the purpose of discussing the French proposal, and this might appear discourteous. On the other hand, there were equally serious objections from the German point of view to having the effect of article 16⁵ and the machinery for applying it discussed and determined by the Council without Germany being represented. Thus in either case Germany would be in the wrong, and the German Government felt gravely embarrassed.

The Ambassador prefaced this declaration with a summary of what had passed at Geneva between Lord Cecil and Herr von Hoesch in regard to M. Boncour's proposal.⁶ From this summary it became clear that either Count Bernstorff had misunderstood Lord Cecil or that Count Bernstorff's report had been misinterpreted in Berlin. I was able in any case to clear up this matter to the satisfaction of the Ambassador, who declared that the particular difficulty to which he had alluded might be regarded as non-

³ See No. 24, note 2.

⁴ No record of this conversation between Lord Cecil and Herr Dufour-Feronce has been traced in Foreign Office archives.

⁵ Of the Covenant of the League of Nations.

⁶ No record of this conversation has been traced in Foreign Office archives. Cf., however, *Akten zur deutschen auswärtigen Politik 1918-1945*, Series B, vol. i, part 1, No. 236, for a conversation between Lord Cecil and Count Bernstorff.

existent. I was also able to assure the Ambassador that His Majesty's Government had always assumed that if Germany were invited to take a seat on the Council for this purpose, she would sit there on a footing of perfect equality as to speech and vote with every other State. The Ambassador had apparently supposed that Germany would be invited to attend but possibly not permitted to speak and certainly not allowed to vote. Nevertheless, the Ambassador said the main difficulty remained. I replied that Lord Cecil had reported Herr Dufour's communication to me and that what had occurred to us as a suitable solution was that the Council should create a body for the special purpose of discussing the French proposition and that this body should comprise a representative of each State having, at present, a seat upon the Council and of Germany. This I admitted was a change of form but not of substance, but it would seem to meet the difficulty of the German Government and was exactly the same solution which for precisely similar reasons had been adopted by the Preparatory Committee itself in another matter in order to meet the same objection taken by the United States Government.⁷ The German Government would, therefore, be able to say to their public: 'We did not allow ourselves to be incorporated in any League organ, our special case was met in this respect in exactly the same manner as the special case of the United States was met in another of like kind.'

The Ambassador expressed himself as struck by the parallel which I had drawn with the treatment of the United States, but was nevertheless doubtful whether this solution would commend itself to his Government. I told his Excellency very frankly what our position was. We had been taken wholly by surprise by the presentation of this document. There were some things in it which appeared to us easy of acceptance and, indeed, most desirable, such, for instance, as the enquiry into what measures could be taken in order that the Council might meet as expeditiously as possible in an emergency; or again, as to what facilities could be provided for the rapid transmission of messages from or to the Council. There were other points which might be capable, under more precise definition, of an interpretation which would not be in any way opposed to the settled policy of His Majesty's Government. But we had felt that this memorandum indicated a desire on the part of M. Boncour to revert to the proposals of the protocol,⁸ and to this His Majesty's Government were firmly opposed. I had been assured by M. Briand that this was not M. Boncour's intention; and I hoped to have an opportunity of discussing the matter with M. Briand himself at Geneva. Indeed, one of my chief reasons for the procedure which I had suggested was that it might enable us to discuss the matter with M. Briand personally,

⁷ The reference is presumably to the substitution (as technical advisers to the Preparatory Commission for the Disarmament Conference) of the Permanent Advisory Commission by Subcommission A and to the setting up of Subcommission B as intermediary between the Joint Commission (cf. No. 19, note 7) and the Preparatory Commission; see Volume I, No. 473, *Documents of the Preparatory Commission for the Disarmament Conference*, Series II, pp. 11-13 and 30-31, and *Papers relating to the Foreign Relations of the United States 1926*, vol. i, pp. 49-104, *passim*.

⁸ The Geneva Protocol of 1924.

who better understood the British point of view and with whom I thought both we and the Germans might more readily come to an agreement than with M. Boncour. I added that I trusted that Count Bernstorff, or whoever would properly represent the German Government, would be at Geneva in the opening days of the Council, so that M. Briand and I could consult with him as and whenever we found it necessary. I added that I did not mean to exclude the possibility of some talk between M. Briand and myself before I saw Count Bernstorff, or even some preliminary discussion in the Council itself, but His Majesty's Government would feel the greatest difficulty in going fully into the points raised by the French memorandum except in the presence and with the collaboration of the German representative. I attached, therefore, great importance to Count Bernstorff's presence in Geneva. The Ambassador said that he would at once report my views to his Government, and even went so far as to say that in such a matter my wish was a command.⁹

I am, &c.,
AUSTEN CHAMBERLAIN

⁹ For an account of this conversation by Dr. Sthamer see *Akten zur deutschen auswärtigen Politik 1918-1945*, Series B, vol. i, part 1, No. 239.

No. 45

Sir H. Rumbold (Madrid) to Sir A. Chamberlain (Received June 8)

No. 256 [W 5098/223/98]

MADRID, June 3, 1926

Sir,

I had the honour to receive by bag today your despatch No. 270¹ of the 1st instant, transmitting letters from His Majesty the King to King Alfonso and from the Prime Minister to General Primo de Rivera.

2. In view of your telegram No. 38² of the 1st instant, stating that these letters would arrive by bag this morning, I had already applied yesterday for an audience of the King of Spain and His Majesty, with great consideration, was pleased to receive me this morning at 12.30 p.m. I then delivered the King's letter to His Majesty who, on reading it through, expressed admiration for the manner in which it had been drafted. I informed His Majesty that I was also charged to deliver a letter from Mr. Baldwin to General Primo de Rivera.

3. The audience lasted one hour and a quarter and I summarize, to the best of my ability, my impressions of a conversation in the course of which the King's remarks were often somewhat discursive.

4. It was obvious to me that the King of Spain read the King's letter with mixed feelings. On the one hand, he was clearly impressed with the tone and substance of the letter; on the other hand, he showed some impatience at the fact that he himself and his Government should have been asked to accept

¹ No. 37.

² Not preserved in Foreign Office archives.

the scheme propounded by the Commission for the future composition of the Council.

5. His Majesty travelled over old ground and the burden of his argument was that Spain had never derived any advantage from any international transactions to which she had been a party, and that she always went to the wall. He said that the Great Powers did not seem to think it necessary to take this country into account. Thus, Spain had not been asked to take part in the Disarmament Conference at Washington or in the Conference at Locarno—and yet she might have played a useful rôle at the latter Conference.

6. The King then reviewed the history of Spain's connection with the League and of the international engagements into which she had entered and which had flowed from the League, instancing for instance her acceptance of the eight hours day. In view of the fact that several countries had not yet accepted the eight hours day, Spanish production was at a disadvantage as compared with those countries. He again laid stress on the successive disappointments to which Spain had been subjected in connection with her candidature for a permanent seat and said that there was a limit to the patience of every individual or country. He then remarked that he was tired of what he called the 'literature' on the subject of Spain's candidature for a permanent seat; in other words, that he preferred deeds to words. Finally, His Majesty said—as I had anticipated—that this was a question of prestige for him and his country.

7. I thought it best not to discuss side issues such as the Washington Conference with His Majesty, but to concentrate on two points, namely, the practical impossibility, in view of the new situation, of obtaining a permanent seat on the Council for Spain, and the question of Spanish prestige. As regards the first point, I said that the King would recognise that His Majesty's Government had, from the first, been in favour of Spain obtaining a permanent seat on the Council, but that an entirely new situation had arisen at the March meeting of the Council. Several other Powers had claimed a permanent seat. It was impossible to satisfy the claims of these Powers and the Assembly had become alarmed. It was not possible for His Majesty's Government to induce all the Powers in question to drop their candidature for a permanent seat and to agree to the sole candidature of Spain. Nor could His Majesty's Government force Powers already represented on the Council to vote for Spain alone. There was thus an insurmountable difficulty which was none of His Majesty's Government's creation. In this matter His Majesty's Government were just as much victims of circumstances as was Spain. An effort had been made under the scheme propounded by the League Commission to give effect to the recognition of Spain's somewhat special position, and there was no reason why, under that scheme, Spain should not obtain a semi-permanent seat on the Council. She had always been elected in the past, and she might equally be invariably elected in the future.

8. At this point the King observed that the election of Spain would probably depend on her attitude with regard to questions coming up before the

Council. If, for the sake of argument, she took up an attitude which might be contrary to the policy of France, she might incur the hostility of that Power. In his view, it was a question of give and take, and His Majesty then proceeded to admit that Spain had on previous occasions secured the votes of some other countries by giving a Grand Cross of the Order of Charles III to one member of the Council, promising a commercial treaty to another, giving a dinner to a third, and so forth. She could not go on doing this.

9. I said that I had been, of course, unaware of these transactions, and reminded His Majesty that, had it not been for the action of Brazil on a previous occasion,³ Spain might by now have secured a permanent seat on the Council. The double appeal which the King and the Prime Minister of England were making to His Majesty and to the Spanish President of the Council was sufficient indication of the appreciation felt by His Majesty and the British Government of the useful work which Spain had performed on the Council of the League during the last eight years, as also of their desire that Spain should continue to contribute towards the cause of peace. This double appeal was likewise a proof of the consideration felt by the King and the Prime Minister of England for the King and Government of Spain.

10. The King then remarked that, when all was said and done, the League of Nations was not a very effective institution. It had failed completely at the time of the Corfu incident⁴ and, more recently, in the matter of the Iraq frontier question⁵. I begged leave to demur to these statements. At the time of the Corfu incident the League was still in its infancy and the incident in question perhaps put too strong a strain on its organisation. But as regards the question of the Iraq frontier, I was under the impression that it was largely owing to the efforts and skill of the Spanish representative on the Council that that body had come to an unanimous decision on this matter at the December meeting. Everybody had realised at the time that this was a great achievement on the part of the Council, which had, besides, settled the Graeco-Bulgarian frontier incident.

11. Turning to the question of prestige, I said that I thought that a nation like Spain had no need to trouble about her prestige. It was there; recent events had even enhanced it. The King said that it did not seem 'sporting' to treat Spain as if she were a country like Siam. She had been a great Power, in fact, the leading Power in Europe at one time. She had now lost all her colonies and he implied that we and other countries had stood aside whilst the United States had completed the work of depriving Spain of the few colonies which had remained to her.

12. I again pointed out that, by the double appeal to His Majesty and to his Prime Minister, the King and the British Government had shown a consideration for Spain which was quite unusual and which ought surely to impress His Majesty with the regard felt for him and his country. His

³ In 1921: cf. Volume I, No. 294.

⁴ For action by the League of Nations in respect of this incident of 1923 see *League of Nations Official Journal*, November 1923, *passim*.

⁵ See Volume I, Chapter V, *passim*.

Majesty then said that he greatly appreciated the tone of the King's letter to him and the friendly interest taken in his country. He asked whether I would show him a copy of the letter from Mr. Baldwin to General Primo de Rivera, remarking that he knew I had one in my pocket and that, in any event, his Prime Minister would show him the letter immediately after I had delivered it.

13. On reading through the copy of the letter, the King again expressed admiration for its drafting and remarked that it was even stronger than the letter from the King to himself. He drew attention, however, to the sentence in the penultimate paragraph of Mr. Baldwin's letter, in which he says 'I feel confident that, under the proposed scheme, the Spanish representative will be retained on the Council of the League as long as possible and re-elected as soon as possible' etc., etc., and said that this sentence seemed to imply that, under the proposed scheme, Spain would not always have representation on the Council of the League. I again referred to the experience of Spain in the past in having been invariably elected to the Council, which seemed to me of good augury for the future. Finally, I begged His Majesty to give the King's letter most careful consideration.

14. Before the audience terminated, the King said he would certainly carefully consider the letter which I had just delivered to him. His Prime Minister would do likewise. He hoped, if all went well, to go to England at the beginning of July and would then be very happy to discuss with yourself and Mr. Baldwin any matters affecting Spain and the Spanish point of view with regard to the same. He was in a difficult position with regard to Spain's candidature for a permanent seat, for he had his public opinion to consider. He would not conceal from me that he was deeply hurt at the unfavourable development of the question of his country's candidature for a permanent seat on the Council. I replied that it was precisely because the King and His Majesty's Government so heartily sympathised with Spanish feeling on this subject that they had taken the unusual step of addressing simultaneous appeals to His Majesty and to his President of the Council.

15. I was received by the President of the Council at 8 p.m. this evening, when I handed Mr. Baldwin's letter to His Excellency. As the President of the Council does not understand English, I read him a French translation of the letter.

16. General Primo de Rivera was visibly much pleased, not only at receiving a letter from Mr. Baldwin, but also by the tone of the letter. He said at once that he would give it his closest and most sympathetic consideration. Unlike the King of Spain, he refrained from all comment on the past history of Spain's candidature for a permanent seat, nor did he make any allusion to the question of the prestige of Spain in connection with this matter. He could not, in fact, have shown a better spirit than he did throughout our interview.

17. As, however, at one moment he seemed to think that His Majesty's Government still feared that some action on the part of Spain might prevent the entry of Germany into the League with a permanent seat on the Council,

he assured me that Spain had no intention of impeding this consummation. I at once replied that Spain had shown, at the March meeting of the Council, that she did not mean to block Germany's entry into the League. His Majesty's Government were very concerned to secure the continued collaboration of Spain in the work of the League. This collaboration had been very fruitful in the past and was greatly valued by His Majesty's Government.

18. I told General Primo de Rivera that I had this morning delivered to King Alfonso a letter from the King to much the same effect as the letter from the Prime Minister which I had just handed to His Excellency. General Primo de Rivera said that he confirmed with pleasure the description of the relations between Spain and Great Britain and said that, having regard to those relations and to the friendly step which Mr. Baldwin had taken, he would do his best to discover some way of meeting the wishes of His Majesty's Government. He added that he would send for the Minister for Foreign Affairs and discuss Mr. Baldwin's letter with the latter.

19. Before leaving, I said that I was sure that His Excellency would see in the double appeal made to the King of Spain and to himself, a proof of the consideration felt by the King and His Majesty's Government for the King and Government of Spain. This double appeal was a most unusual step. General Primo de Rivera replied that he quite appreciated the importance and the significance of these two appeals.

20. General Primo de Rivera's manner was so cordial throughout the interview that I have some hopes that the Spanish Government may be induced to modify their intransigent attitude. The difficulties which I foresee are, firstly, that the King's personal pride has clearly been touched by the knowledge that Spain will not, after all, be admitted to a permanent seat on the Council, and, secondly, that the Minister for Foreign Affairs, who will have some considerable say in the matter, has made it almost a matter of honour to secure such a seat for Spain. I would even go so far as to add that if, in spite of his public declarations on the subject, the Spanish Government decide to modify their attitude in the sense of accepting the scheme of the League Commission, His Excellency may resign his post.⁶

I have, &c.,

HORACE RUMBOLD

⁶ King Alfonso replied to the letter of H.M. King George V in a letter of June 9 (copy received in the Foreign Office on June 21) wherein he stated in particular: 'It is evident that Spain could not continue to interest herself in the work which the Society of Nations is so loyally endeavouring to accomplish, as long as her personal position in the Society is to be of a precarious, or still less of an intermittent character. . . . The relations of my country with yours are in truth most happy. I only trust that they may strengthen and increase.'

General Primo de Rivera replied to Mr. Baldwin in a letter of June 11 (received in the Foreign Office on June 17) wherein he stated in particular (Foreign Office translation): 'Public opinion being as I have said, anxious that Spain should figure among the first class nations, the Spanish people would . . . feel that it had been cheated by its Government if we gave up its claims or if, abandoned by those whom we think should assist us to maintain them, we did not adopt a dignified yet peaceful and correct attitude. It will perhaps be urged by the States which have assumed the direction and orientation of this matter that resolutions

of another kind should be adopted which it might be possible to offer to Spain and her public opinion as compensation for the disillusionment consequent on seeing herself excluded from participating in the Permanent Council of the League of Nations.' In a postscript General Primo de Rivera added that the Spanish Government had reversed its decision not to be represented at the June session of the Council of the League of Nations.

No. 46

*Memorandum by Viscount Cecil on the Composition of the
Council of the League of Nations¹*

[W 5120/223/98]

June 4, 1926

The Committee on the Composition of the Council provisionally accepted a draft proposed by me on the following lines:—

- (i) the non-permanent members are to be enlarged from six to nine; they are to hold office for three years; three to be elected each year;
- (ii) not more than three out of the nine non-permanent members are to be re-eligible, and that only if the Assembly so decide by a two-thirds majority. The remainder are not to be re-eligible for a period of three years after the expiration of their term;
- (iii) the non-permanent members are to take office immediately on election and not as at present on the 1st January following, and at any time the Assembly may, by a two-thirds majority, decide to proceed to a new election of all the non-permanent members of the Council on such terms as it shall then lay down.

My colleagues will observe that in principle this is much the same as the scheme which they approved before the Geneva meeting,² though it differs from that plan in some of its details. The effect will be that each year three non-permanent members will be elected, one of them being re-eligible. Some protest was made against the increase in number of the non-permanent members, and particularly by so much as three additional members. But the number was adhered to because it was felt that if there were to be an effective representation on the Council of the general body of members of the League, not less than two fresh members ought to be elected each year, otherwise the chance for the average member of the League to serve on the Council would be too remote. If then the term of office is to be three years there must be at least six non re-eligible members of the Council. If the term were to be less then the number might be reduced. But this turned out to be impracticable in view (i) of the strong feeling that a less term than three years would be ineffective, and (ii) of the fact that the Assembly had more than once decided in favour of a three years term for the non-permanent members. It was, therefore, generally accepted that there must be six non

¹ This memorandum was circulated to the Cabinet.

² See Volume I, No. 399.

re-eligible members of the Council, and it did not seem practicable to have less than three re-eligible. The object of having re-eligible members was to give some chance of satisfaction to aspirants for permanent membership. These included Spain and Poland. But to have created only two re-eligible seats, both for European Powers, would have caused serious discontent to the Asiatic and American members of the League. At least one re-eligible seat ought to be available for them. In spite, therefore, of the criticisms of the Italian and Swiss delegations, it was decided to have three re-eligible members. The result is a Council of fourteen now, and when Russia and the United States come in, a Council of sixteen. That is undoubtedly too large, though perhaps not unworkably so. In any case, for the reasons given, I do not see how it is possible to have less than the nine members on which the Committee decided.

Nothing has yet been said formally about permanent membership, but it was evident from the debates that the only two countries who were really in favour of extending the number of permanent members beyond the Great Powers were Spain and Brazil. Poland would certainly press her claim if any extension was agreed to, but she was satisfied not to press it so long as only Great Powers were to be permanent members. The same was avowedly true of China, and the only other applicant, Persia, may be disregarded. If, therefore, the question comes to be decided at the end of June, I should anticipate that the worst that can happen will be a minority of two against, and an abstention of two or three others. If between this [*sic* ? now] and then Spain and Brazil can be induced to accept the inevitable there will be a unanimous decision against extension of permanent membership.

So far, no member of the Committee has voted against any of the proposals which we have provisionally agreed to. They are to be officially reviewed at our next meeting fixed for June 28th and in the meantime Brazil and Spain have, of course, reserved their rights and, so in a half-hearted way, have China and Poland. Sweden reserved its right to object to any extension of the non-permanent or permanent members, but her representative privately informed me that she will not persevere in their [*sic*] position unless there is an extension of permanent membership.

The German representative accepted all these proposals, and there seems good ground for thinking that whatever happens Brazil will not press her claim so far as to veto the German candidature. If she does, under the provisions agreed to, she can and will be excluded from the Council. I regret that the Committee declined to consider the proposal for proportional representation on the ground that it added needless complication.

Finally it should be mentioned that we promised three non-permanent seats to South America and expressed approval of adequate representation for Asia—whatever that may mean.

I believe that this is on the whole the most satisfactory settlement that could be hoped for, and if we can get it definitely laid down by the Council and Assembly that there is to be no extension of the permanent members beyond Germany, Russia and the United States, it is to be hoped that this

controversy will not be renewed in future years. It is certainly a very deleterious one for the working and prosperity of the League. As it is the present difficulty may and probably will lead to the withdrawal of Spain and Brazil if not from the League itself, at least from all active participation in its work.

R. C.

No. 47

The Marquess of Crewe (Paris) to Sir A. Chamberlain (Received June 5)
No. 1048 [W 5034/78/98]

PARIS, June 4, 1926

Sir,

I have read the series of telegrams reporting on the proceedings of the Preparatory Disarmament Commission at Geneva. I have also received your despatches Nos. 1560, 1591 and 1611¹ of May 28th, 31st and June 2nd reporting the various conversations on this subject with the French Ambassador in London.

2. An unsigned article which appeared in the 'Revue des Deux Mondes' on May 1st—'A propos du Désarmement'—throws interesting light on the French attitude at the Commission. I have, therefore, had a summary prepared, which is contained in the enclosed memorandum.

3. I have not so far been able to ascertain the identity of the author of this article. I would draw attention to the similarity of his conclusions with the proposals submitted to the Commission by Monsieur Paul-Boncour on May 22nd and May 24th.

4. The French Ambassador's memorandum enclosed in your despatch No. 1611 confirms me in the view that there is more underlying Monsieur Boncour's proposals than a personal attempt to get back to the 1924 protocol. The French Government, if disarmament is to go much further, is, in accordance with the natural development of its policy, probably seeking for further securities in the direction generally indicated in the concluding paragraph of the enclosed memorandum. As is stated in the conclusion to one of the reports by the Finance Commission of the Chamber on the 1926 Budget, 'ideas move more quickly than facts and the League of Nations cannot by a wave of the wand suddenly change the international situation and finally guarantee world conditions. Ordinary common sense, therefore, obliges us to subordinate the solution of the problem of the reduction of armaments to a solid guarantee of security. We have gone as far in this direction as we can. Let those who are fond of giving us advice imitate us. Let them try to solve the questions at issue in the same spirit as we try ourselves. The problem of disarmament, starting from that of security, will then have made great progress.'

I have, &c.,
CREWE

¹ Nos. 28, 35, and 41 respectively.

ENCLOSURE IN No. 47

Summary of Unsigned Article 'A propos du Désarmement'
Published in 'Revue des deux mondes' on May 1st, 1926

PARIS, June 3, 1926

1. The writer of this article states that it was generally recognized in pre-war Europe that the race for armaments which was led by Germany was the great danger. Disarmament even at that period found its advocates.

2. At the Versailles Conference the matter was taken up in earnest. Strict limitations were imposed on German armaments, the source of the greater part of the trouble in Europe 'in order' in the words of part V of the treaty 'to render possible the initiation of a general limitation of the armaments of all nations.' In addition, Article 8 of the Covenant provided that 'the maintenance of peace requires the reduction of national armaments to the lowest point consistent with national safety and the enforcement by common action of international obligations.'

3. The negotiators of the treaty of Versailles recognized that French security was not completely provided for by the treaty. The Anglo-American guarantee was therefore offered, but did not mature.²

4. France remained willing to act in accordance with the treaty stipulations in favour of armaments limitation and even reduction. In view of the treaty restrictions upon Germany she reduced her military expenditure by 40 per cent as compared with pre-war days and the effective strength of her troops from 950,000 to 650,000 men. She made further limitation and reduction dependent upon security guarantees additional to those contained in the treaty. She insisted on any such reduction being common to all the interested powers and she claimed that all the elements of the problem should be simultaneously reviewed. She required that the study of the question should be conducted at Geneva and not in the United States or elsewhere.

5. Resolution No. 14, adopted by the Assembly of the League of Nations in the autumn of 1922³ seemed to indicate the possibility of the realisation of French policy. That resolution declared that the majority of the governments could not assume responsibility for a serious reduction of armaments without receiving in return a guarantee satisfactory for the security of their respective countries. Such a guarantee might, according to the resolution, be constituted by a defensive agreement in which all countries might take part and which would bind the participants to give effective and immediate assistance to each other and on the lines of an agreed plan. The Assembly resolution of 1922 produced the draft treaty of mutual assistance of 1923. Under this treaty the contracting parties undertook to give each other full and complete assistance. The Council of the League was empowered to decide the immediate application of economic sanctions and to require military assistance and to define the forces which the nations must place at

² The reference was to the inoperative Franco-British and Franco-American treaties of June 28, 1919, printed in *British and Foreign State Papers*, vol. 112, pp. 213-18.

³ See League of Nations, *Records of the Third Assembly*, Plenary Meetings, vol. i, p. 291.

its disposal. In return, the signatory powers were invited to 'make known the reductions or limitations of armaments which they considered they could accept.' This treaty, according to the writer of the article under review, marked the 'triumph of the French thesis'. The security of France seemed by it to be completely assured.

6. The treaty was found to be unacceptable to Great Britain. French policy was then directed to the search for a compromise acceptable to both countries which should take its place. This compromise was the protocol,⁴ under which a general Disarmament Conference was to be summoned at Geneva and in return the signatories undertook in the matter of security to co-operate effectively and loyally against the ag[g]ressor. In contradistinction to the treaty of mutual assistance they reserved to themselves the right to decide the strength of the forces which they would be prepared to bring into action.

7. Despite what the French considered to have been the concessions made by the Protocol to British scruples, Great Britain refused the Protocol just as she had refused the treaty of mutual assistance. Then came the movement of opinion in London towards the offer to France of a Treaty of Guarantee similar to that of 1919. This movement, modified by German intervention, produced the Locarno agreements of 1925.

8. The Locarno agreements gave France certain guarantees. The time had, therefore, arrived when it was proper for her to consider whether she could disarm further. The extent of such disarmament had to depend upon the military value of Locarno. Viewed in terms of disarmament, Locarno had two weak points. In the first place, it was 'a purely regional agreement' and did not in any real degree limit French commitments outside Europe and only to a slight degree in Eastern Europe where France was the 'only guaranteeing power'. Secondly, the exact degree of the effectiveness of Locarno was uncertain. How long would the guaranteeing powers take to act? How long would the Council of the League of Nations require for consideration preliminary to action? Was it certain that the circumstances of a possible aggression would always be correctly appreciated by the guaranteeing powers?

9. In the light of these weak points, Monsieur Paul-Boncour was, so far as disarmament was concerned, right when he informed the Chamber that 'the Locarno agreements are not in themselves an end. They are but a beginning—or more correctly but a stage . . .⁵ France has already clearly emphasized and will continue to emphasize that armaments can only be reduced in proportion to the securities which are given. General disarmament depends on the development of these securities, on the interpretations given to the Locarno agreements, on their extension to all possibilities of conflict and on the adhesion to this policy of peace and on the entry into the League of Nations of the Great Powers who still remain outside it. General disarmament can only proceed from general security.'

⁴ The Geneva Protocol of 1924.

⁵ Punctuation as in original quotation.

10. The writer of the article concludes that, until Locarno has been completely tested by experience and perhaps extended as the result of such experience, no Power will be prepared to go far in the direction of disarmament. The French Government, as it has already indicated in the preamble to the bill on the reorganisation of the army, may be prepared in return for Locarno to fix the strength of its army at 600,000 men. It may also be ready to undertake on the understanding that the other Powers give a similar undertaking to maintain its military expenditure at its present gold value. But 'before we can consider a further stage along the road which we were the first to enter, Balkan and Mediterranean agreements must be signed, steps must be taken to organise the immediate definition of aggression in case of a conflict in order to ensure the automatic application of the agreements, and a vigorous League control intended to prevent the progress of industrial mobilisation during the period of conciliatory measures provided for by the Covenant must be established.'

No. 48

The Marquess of Crewe (Paris) to Sir A. Chamberlain (Received June 5)

No. 1050 [C 6394/7/62]

PARIS, June 4, 1926

Sir,

With reference to my despatch No. 1049¹ of today's date, I have the honour to inform you that one of the deputies who sits on the Finance Commission of the Chamber informed a member of my staff last night that Monsieur Péret² definitely informed the Finance Commission yesterday that the Government would not try to secure the ratification of the Washington debt agreement³ this session.

2. I hear on all sides that a number of deputies as well as the Government are afraid of opinion in the country on the matter. There it is urged that it would be monstrous to ratify an agreement, which binds France to pay America, even should Germany not pay her. Monsieur François Marsal⁴ told Mr. Phipps yesterday that ratification of the agreement was an impossibility. It is argued too that as America refused to ratify a Treaty which she had signed, there is no reason why France should not do the same.

3. I understand that Monsieur Péret gave the Finance Commission yesterday a detailed account of his recent negotiations in London.⁵ This

¹ Not printed. In this despatch Lord Crewe reported on the meeting of the Finance Commission of the Chamber of Deputies on June 3: see paragraph 3 below.

² French Minister of Finance.

³ This agreement of April 29, 1926, had been negotiated by Mr. Mellon, U.S. Secretary for the Treasury, and M. Bérenger, French Ambassador at Washington. The text is printed in *British and Foreign State Papers*, vol. 127, pp. 511-18.

⁴ M. François-Marsal, a former French Minister of Finance, was Senator for the Cantal.

⁵ M. Péret had visited London from May 16 to 19 for negotiations with Mr. Churchill, Chancellor of the Exchequer, regarding the settlement of the French war debt to Great Britain.

account agreed closely with the record contained in the enclosure to your despatch No. 1572⁶ of May 29th. Monsieur Péret spoke in friendly terms of

⁶ Not preserved in Foreign Office archives. This despatch transmitted to Paris a copy of the following letter of May 18 from Mr. Churchill to M. Péret:

‘My dear Monsieur Péret,

‘As you find it necessary to return to Paris tomorrow morning I take the opportunity of putting before you in a precise form the position which His Majesty’s Government occupy in the present phase of the debt negotiations.

‘We take our stand upon the general basis of agreement reached in the negotiations which I had with Monsieur Caillaux [French Minister of Finance, April–October 1925] in August last, namely, 62 annuities of £12½ millions on the sole credit of France. This was the basis accepted in principle by the French Government subject to a settlement of three outstanding questions. In my view our discussions at the present time should be directed solely to the solution of these questions. I had agreed with Monsieur Caillaux that in the event of France making an arrangement more favourable to the United States than that which we had agreed together, the British Government should be entitled to press for a proportionate augmentation of the £12½ millions standard annuities. As we do not consider that the Franco-American debt proposals now awaiting ratification are substantially more favourable to the United States than those which I had agreed with Monsieur Caillaux, this point does not arise.

‘We have therefore in my view only to consider the three outstanding difficulties, viz. first:—the scales of reduced payments during the years preceding 1930; this has been described in our talks as either the “échelle” or the “moratorium”. We suggested to Monsieur Caillaux certain figures in two alternatives, the second of which was related to certain adjustments in the payments to be made by the Bank of France to the Bank of England. To these figures we still adhere. But I must make it clear that throughout my discussions with Monsieur Caillaux it was always understood that any diminution in the payments to be made by France during these early years should be replaced by additional payments in later years, so that the present value of the debt payments to be made by France should not be less than the present value of 62 annuities of £12½ millions running evenly throughout.

‘We do not anticipate that any difficulty will arise in an agreement about the second point i.e. transfers or postponements in certain circumstances. There remains what you describe as the “safeguarding clause”. I must draw attention to the strong view which His Majesty’s Government have already formally and publicly expressed upon this subject, and our willingness to reduce the payments for the settlement of the debt to standard annuities of £12½ millions was explicitly conditional upon those annuities resting upon the sole credit of France and not being in any way dependent on the receipts derived by France from Germany under the Dawes Plan [see No. 93, note 4]. The original debt was contracted on the sole credit of France and we see no reason why the great reduction we have shown ourselves willing to make should not have the same security. Our view has of course received confirmation from the fact that the United States have refused to entertain any safeguarding clause and that the French Government has accepted this position.

‘You then suggested that although our proposed agreement should contain no safeguarding clause yet some provision might be made by an exchange of letters or other form of record for the contingency which we both regard as improbable of a serious or total failure of the Dawes Plan. In reply I have pointed out that I had no authority to modify the position adopted by the Cabinet and communicated in writing to Monsieur Caillaux, but that if you cared to draft the kind of letter you had in mind if the terms were acceptable and if our taking note of such letters were the sole outstanding point of difference, I would not refuse to submit this proposal to my colleagues in the Cabinet. We had some informal conversation upon the terms of such a letter and of the suitable reply which should be made to it, and I undertook to let you have some suggestions in writing. I learned, however, that our experts were not yet in agreement on the outstanding points of the settlement and that there was even some disposition to call in question the main principle of the 62 annuities of £12½ millions

the Chancellor of the Exchequer's conduct of the negotiation and announced his own intention of returning to London very shortly. The Commission was given to understand that Monsieur Péret was trying to draft some reference to the 'safeguard' principle which would be acceptable to Mr. Churchill.

4. In view of the antagonism which has certainly been aroused here by the Bérenger agreement, I can scarcely believe that Monsieur Péret would now venture to sign an agreement in London, which does not in some form or other introduce the 'safeguard' principle.

I have, &c.,
CREWE

on the sole credit of France. In these circumstances I feel that it will be better in all our interests that the discussions between the experts should make further progress before the subject of any exchange of letters can be proceeded with even in the most tentative and non-committal form on either side. I shall therefore leave this further discussion of this aspect until I have the pleasure of receiving you here again on your return, and with my best wishes and keen sympathy in your discharge of so many difficult duties,

'Believe me,
'Yours most sincerely,
'WINSTON S. CHURCHILL'

No. 49

Sir A. Chamberlain to the Marquess of Crewe (Paris)

No. 1634 [C 6339/6012/62]

FOREIGN OFFICE, *June 5, 1926*

My Lord Marquess,

It is as Your Lordship knows the policy of His Majesty's Government to press for the early withdrawal of the Control Organs in Austria, Hungary and Bulgaria. As there have been indications recently that it may be possible to bring matters to a head in the near future in regard at any rate to Austria and Bulgaria, the opportunity was taken of the presence of General Clive¹ in this country to hold a meeting on June 2nd between the competent officers of the War Office and the Foreign Office, at which General Clive was present, to discuss various points at issue, and to endeavour to formulate the course of action best suited to advance the policy of His Majesty's Government in favour of an early withdrawal of the Control Organs in question.

2. In the first place it was recognised that circumstances vary so greatly in each country that it is useless to attempt to obtain a simultaneous withdrawal in all three countries. It was accordingly decided to examine the situation in each country separately and on its merits.

3. As regards Bulgaria, it was considered that the state of execution of the military clauses² was sufficiently advanced for the Organ of Liquidation to

¹ Major-General G. S. Clive was Military Attaché in H.M. Embassy at Paris, and British representative on the Allied Military Committee of Versailles.

² Of the peace treaty of Neuilly, signed on November 27, 1919, and printed in *British and Foreign State Papers*, vol. 112, pp. 781-895.

be withdrawn, and the future supervision of these clauses of the treaty to be handed over to the Council of the League of Nations. General Clive was of opinion that his French and Italian colleagues on the Allied Military Committee of Versailles would share his opinion, and would make a recommendation to this effect to the Ambassadors' Conference. I am accordingly addressing to you a separate despatch indicating the course of action which should now be adopted as regards Bulgaria.³

4. As regards Austria, it was felt that no good purpose would be served by addressing to the Austrian Government a note on the lines proposed by the Allied Military Committee of Versailles as explained in your despatch No. 627⁴ (88/16/1926) of the 16th [6th] April last. It is hardly open to doubt that the Austrian Government are unable to carry out *all* demands which have been made on them from time to time, and the result of addressing to the Austrian Government a further note on the old lines might well be another long delay at the end of which the Austrian Government would again call attention to their internal economic and political difficulties and plead their inability to carry out the allies' demands, as they did in their reply to the Conference of the 4th February.⁴ The general policy of His Majesty's Government being to effect the withdrawal of the various Commissions of Control from ex-enemy countries at as early a date as possible, it is obviously important not to continue to address to the Austrian Government demands which there is no likelihood of their being able to carry out. It was therefore decided that you should try to induce the Conference to bring matters to an issue by concentrating on the execution by the Austrian Government of only those demands which on the one hand are of real importance, and on the other hand can in practice be carried out by the Austrian Government. It was thought that the only two demands which it was essential that the Austrian Government should fulfil were (1) the destruction of the special machines for the manufacture of munitions of war and (2) the passing of legislation making illegal the participation of any 'associations' in military training. At the same time as it is clear that the Austrian Government will dispute her ability to carry out even these reduced demands

³ Foreign Office despatch No. 1631 to Paris of June 5 is not printed. In this despatch Lord Crewe was instructed to endeavour to secure that the Conference of Ambassadors should instruct the Organ of Liquidation of the Inter-Allied Military Commission of Control in Bulgaria to prepare a final report on the carrying out of the military clauses of the Bulgarian peace treaty. It was recognized that 'it may be necessary in order to obtain the consent of the French Government to the immediate withdrawal, for you to agree to lay some stress in the final report from the Organ of Liquidation on the delinquencies of the Bulgarian Government. This, however, should, in the opinion of His Majesty's Government, if possible be avoided, as it would give Bulgaria's neighbours an undesirable pretext for raising awkward questions at Geneva.' In October 1926 the Conference of Ambassadors presented to the Bulgarian Minister at Paris, M. Morfoff, a list of *redressements* which were to be carried out before the Organ of Liquidation could finally be withdrawn. After rendering a final report which laid down certain *redressements* which the Bulgarian Government undertook to carry out the Organ of Liquidation ceased working on May 31, 1927, and was finally dissolved on June 30.

⁴ See Volume I, No. 457, note 1.

it was felt that a continuance of the present correspondence between the Conference and the Austrian Government will only result in a prolongation of the present undignified deadlock. To avoid this it was therefore decided that advantage should be taken of the informal suggestion made by Monsieur Massigli to Mr. Wigram (see the latter's private letter to Mr. Sargent⁵ No. 88/22/1926 of the 10th May last⁶) that the Austrian Government should be invited to send to Paris, to discuss with the representatives of the Allied Powers, both political and military representatives who would go carefully into the whole situation in the hope of reaching a final solution of the difficulties which are preventing the withdrawal of the Liquidating Organs. The recent discussions in Paris between representatives of the Ambassadors' Conference and the German Government on the subject of military disarmament and aviation offer a suitable precedent for this procedure. General Clive, who has now returned to Paris, will be in a position to explain to you more fully what passed at the discussion, and I have to request that, after seeing him, you will be so good as to raise on the Conference of Ambassadors this question of inviting to Paris representatives of the Austrian Government to discuss matters verbally in the hope of reaching a speedy settlement.⁷

5. It was considered impossible to take any further action at the present moment with regard to liquidating military control in Hungary. This question has become for the French Government a political question. The feeling of the French Government over the question of the forgery scandal in Hungary⁸ is evidently so great that it seems impossible to induce them now to consider the question of the single State factory,⁹ without the settlement of which control in Hungary cannot be terminated; moreover, the recent attitude of the Hungarian Government as instanced by their action in

⁵ Mr. Sargent was about to succeed Mr. Lampson as head of the Central Department of the Foreign Office.

⁶ Not printed. In this letter of reply to Mr. Sargent's letter printed as No. 457 in Volume I, Mr. Wigram stated in particular that Signor Summonte, Counsellor of the Italian Embassy in Paris, had not been 'very enlightening' in regard to the points raised by Mr. Sargent. M. Massigli, however, had stated that 'the Quai d'Orsay were against leaving the liquidating organ indefinitely in Austria' and had made the suggestion recorded below.

⁷ In his following despatch, No. 1635 to Paris of June 5, Sir A. Chamberlain added that His Majesty's Government felt that the Conference of Ambassadors should not tie the hands of the negotiators in the forthcoming discussions by formulating cut and dried demands, but 'should give instructions to the negotiators that the questions are to be treated not merely from the military point of view, but also, and even mainly, from the point of view of political and economic expediency'.

⁸ For developments resulting from the arrest in the Netherlands of a Hungarian courier found in possession of forged French banknotes see the Appendix, p. 940; see also *Survey of International Affairs 1926*, pp. 178-90, and Prince Lajos Windischgraetz, *My Adventures and Misadventures* (ed. and trans. by Charles Kessler, London, 1966), pp. 113-74.

⁹ Article 115 of the Treaty of Trianon of June 4, 1920 (see *British and Foreign State Papers*, vol. 113, pp. 486-645), stipulated that the manufacture of war material in Hungary must be confined to a single State factory. On January 27, 1926, no agreement had been reached by the Conference of Ambassadors on a British proposal that the partition of the single State factory into four installations should be permitted: see Volume I, No. 221.

respect of the effectives of the Honvéd¹⁰ shows that they are still far from adopting a conciliatory spirit though it is satisfactory to learn from General Clive that that particular matter is at present being studied by the Versailles Committee in the hope of finding some solution satisfactory to all parties. In these circumstances it was felt that the present moment is not propitious for taking active steps towards inducing the Conference to withdraw the Commission of Control from this particular country.

6. As to Germany, it is of course evident that at the moment the withdrawal of control is not a matter of practical politics. Other factors, in the domain of high policy, enter into the question, and it seems clear that until Germany is a member of the League of Nations matters must continue to drag on much though His Majesty's Government would like to see that question liquidated also.

I am, &c.,
(For the Secretary of State)
MILES W. LAMPSON

¹⁰ i.e. the Hungarian Army. It had recently been discovered by the Inter-Allied Military Commission of Control in Hungary that the effectives of the Hungarian Army numbered 7,000 men over the strength authorized by the Treaty of Trianon. Colonel Selby, British representative on the Commission of Control, had stated in particular in a report of May 26 from Budapest that a 'cause of the situation which has arisen has undoubtedly been the reluctance of the Hungarian authorities to admit openly the infractions which have been committed in the past', and that the Hungarian Government had concealed from the Commission 'the real state of affairs respecting the effectives of the army. There is more in this question than a mere attempt to pass a few thousand men from a situation of illegality to a situation of legality. The attempt has been to continue uninterruptedly the short service system which has, without any doubt whatever, been practiced [*sic*] since 1922.' On June 24 the Conference of Ambassadors sent a note to the Hungarian Minister at Paris, which stated in particular that the allied Governments 'ont estimé indispensable que l'armée hongroise rentre le plus tôt possible dans une situation conforme au Traité'.

No. 50

Lord Kilmaurack (Coblentz) to Sir A. Chamberlain (Received June 8)
No. 109 [C 6527/481/18]

COBLENZ, June 5, 1926

Sir,

I have read with deep interest Mr. Addison's despatch No. 329 of May 27th,¹ relative to his interview with the Minister for Foreign Affairs on the subject of the German attitude in the Rhineland. Dr. Stresemann's grasp of the situation appears to be broad-minded and statesmanlike and it is to be hoped that the measures which he has adopted will prove efficacious. I feel convinced that he has put his finger on the spot in his illuminating summary of the characteristics of his countrymen, and Mr. Addison's penetrating analysis completes the picture. There is one point, however,

¹ No. 26.

on which I differ from Dr. Stresemann, i.e., when he states that it was unfortunate that the Rhineland High Commission did not simply issue an order forbidding the illumination. Such action would, no doubt, have been understood by the Mayor of Bingen, but it would, in my opinion, have been used for Anti-allied propaganda by interested circles. Moreover, the German representatives on the spot most certainly did not share Dr. Stresemann's view in this matter. At my interview with the Reichskommissar² I threw out a hint that it might perhaps be more agreeable to the German authorities if the High Commission were to forbid the illumination but Baron Langwerth either did not understand, or deliberately refrained from rising to the fly. Later whilst one of his staff, who had entered the offices of the Secretaries-General without invitation and in a somewhat truculent manner was waiting to hear the decision of the High Commission, he remarked to Captain Fox in a highly excited way: 'If it is a prohibition, the whole work of Locarno is destroyed (Kaput)'.

2. It is too early yet to judge what effect Dr. Stresemann's action will have. The only really tangible result so far is the settling of the question of the passage of the Allied officials through the evacuated area. If the same facilities had been granted three months' ago the effect would, of course, have been much greater. In the question of the delimitation of the Northern Zone good progress has recently been made, and I hope for a rapid and favourable solution. The question of the Amnesty³ is at present in suspense pending the result of reference to the respective Governments. The only point of actual friction which is for the moment, I will not say acute, but still in a state of activity, is that of the Niederwalddenkmal. On receipt of information from Berlin that your action in pressing Dr. Stresemann in the matter had had satisfactory results and that there was not now any proposal to illuminate the monument, I so informed the High Commission. At the same time I added that an as yet unconfirmed report had just come to hand from the British Military Authorities to the effect that an association of war veterans proposed to form a procession at Bingen on June 13 and proceed to the site of the monument where a demonstration would be held.

In view of this information, the High Commission took a decision to the effect that in the future the Niederwald Monument might not be illuminated nor might any manifestation of the character of a military commemoration take place in its vicinity, this decision to be notified to the General Officer Commanding-in-Chief the Allied Armies of Occupation, for execution should occasion arise. The above decision was taken on the proposal of the French Representative, who was anxious lest we should be taken by surprise, and I agreed to it on condition that it should not be made public except in case of necessity. The result therefore is that the Military Authorities have

² See No. 3, enclosure.

³ For the question of the amnesty to be granted by the Inter-Allied Rhineland High Commission and by the German Government in accordance with the terms of the note of November 14, 1925, from the Conference of Ambassadors to the German Ambassador at Paris (printed as item No. 3 in Cmd. 2527 of 1925) see No. 158.

the power to forbid any demonstration of the nature indicated, but will not make use of it unless they are forced to do so. I felt little reluctance in agreeing to this decision in view of the expressed opinion of Dr. Stresemann to which reference has been made above and which may prove extremely useful to us should the German Government offer any complaint as to the future action of the High Commission in this matter.

I have, &c.,
KILMARNOCK

No. 51

Note from Sir W. Tyrrell¹ to Dr. Sthamer

[C 6075/142/18]

FOREIGN OFFICE, *June 7, 1926*

Your Excellency,

In your note No. A. 673² of April 12th last Your Excellency put forward certain amendments to a memorandum³ which was discussed by the British and German delegations in the course of the conversations which took place in London last November with regard to the interpretation of the Protocol to the Anglo-German Commercial Treaty of December 2nd, 1924.

2. These amendments have been submitted to the competent department, and I have the honour to state that they do not, unfortunately, remove the objections entertained by His Majesty's Government to the original German draft, objections which led to the suspension of the negotiations last Autumn, and that full consideration of the matter has convinced them that any attempt to translate into more precise words the implications of the first two paragraphs of the Protocol is bound rather to embarrass than to conduce to friendly commercial relations. In this connection you will remember that the desirability of concluding any formal agreement on this matter had always been called in question by the British negotiators, seeing that in the view of His Majesty's Government the paragraphs in question were intended rather to embody an expression of the general intentions of this portion of the Treaty than to be a document whose every word should be capable of exact legal interpretation.

3. Nevertheless, the German Government may rest assured that whilst His Majesty's Government feel bound to maintain this general attitude, they will always be ready to discuss freely and amicably the application of the

¹ Sir A. Chamberlain had left London on June 5 to attend the meeting of the Council of the League of Nations at Geneva. He returned to London on June 11.

² Not printed.

³ See Volume I, No. 173, enclosure, for this memorandum regarding the interpretation of the protocol to the Anglo-German Commercial Treaty (printed in *British and Foreign State Papers*, vol. 119, pp. 369-89). In the amended version enclosed in Dr. Sthamer's note of April 12 the words 'as distinct from a duty which is designed to support, foster or even develop an industry' were omitted from paragraph 5.

Protocol to any particular and specific case in regard to which either Party to the Treaty feels that its principles can properly be invoked and to endeavour to arrive at a settlement consistent with those principles.⁴

I have, &c.,
(For the Secretary of State)
ORME SARGENT

⁴ On July 1 Dr. Sthamer communicated a note to Sir A. Chamberlain in which he explained that the German Government 'must regard the measures proposed in the new Finance Bill of 1926 [*British and Foreign State Papers*, vol. 123, pp. 175-209] as being in part incompatible with the said protocol [of December 2, 1924].'

No. 52

Sir W. Tyrrell to Sir R. Hodgson (Moscow)

No. 422 [N 2367/1687/38]

FOREIGN OFFICE, *June 7, 1926*

Sir

I have received your despatch No. 283 [383]¹ of the 19th ultimo, containing your observations upon the attitude of the Soviet press, the Soviet Government and Soviet institutions towards the general strike in this country.

2. While His Majesty's Government would be quite justified in making representations to the Soviet Government in regard to the rôle played by the Moscow and Leningrad Soviets in connection with the strike, I prefer to avoid complaints which might merely lead to controversy as to the degree of responsibility of the Central Government for the actions of local bodies. I therefore propose to confine myself to recording a brief protest against the action of the Commissariat of Finance in granting special permission for the transfer of funds to this country in aid of the general strike.

3.² You should accordingly leave with the Commissar for Foreign Affairs, as soon as possible, a memorandum in the following terms:—

'His Majesty's Government regret that they cannot pass over in silence the action of the Soviet authorities in specially permitting the transfer to Great Britain of funds destined for the support of the general strike.

'The general strike was an illegal and unconstitutional act constituting a serious threat to established order, and the special action taken by the Soviet Commissariat of Finance in its favour does not conduce to the

¹ Not printed. The enclosures in this despatch included the documents printed as appendices (5), (6), and (7) to item No. 1 in Cmd. 2822 of 1927, *Note from His Majesty's Government to the Government of the Union of Soviet Socialist Republics respecting the Relations existing between the two Governments and Note in Reply. February 23/26, 1927.*

² The ensuing instructions were also telegraphed to Moscow in Foreign Office telegram No. 132 of June 11. Sir R. Hodgson reported in his telegram No. 134 of June 15 that he had acted on them on June 12.

friendly settlement which the Soviet Government profess to desire of the questions outstanding between the two countries.’³

I am, &c.,

(For the Secretary of State)⁴

C. W. ORDE

³ A variant text of this memorandum is printed in *Survey of International Affairs 1927*, p. 260.

⁴ The draft of this despatch had been approved by Sir A. Chamberlain on June 3.

No. 53

Sir A. Chamberlain (Geneva) to Sir W. Tyrrell (Received June 14)

No. 37 L.N.C. [W 5345/5199/98]

GENEVA, June 9, 1926

Sir,

The present Council meeting¹ is proceeding very smoothly and likely to be of short duration. It may be convenient that I should attempt to summarise the effect of the conversations and discussions in which I have been engaged.

2. Monsieur Briand did me the honour to meet me on my arrival in Paris and accompanied me to the Embassy. There I ran over with him the three or four subjects on our Agenda upon which a serious difference of opinion had disclosed itself between the French and British Governments. I did not go deeply into any of them. I was content merely to indicate that if nothing further passed before these subjects were discussed in Council I should inevitably find myself obliged openly to express my opposition to the French view. There I proposed to leave the matter. Monsieur Briand had informed me that he would come to Geneva for the two opening days of the meeting. I intended to get these questions put upon the Agenda during those two days and I anticipated that, confronted with the immediate danger of a serious divergence in policy, Monsieur Briand would be forced to make some propositions to me.

3. Unfortunately, without consultation with me, the President en fonction and the Secretary-General had arranged that after the opening meeting, at which only urgent business was undertaken, the Council should be adjourned until Wednesday² morning. I understand that the Secretary-General adopted this course partly owing to the reluctance of the Rapporteurs to express any opinions upon some of these subjects until they knew the attitude which would be adopted by France and Great Britain, and partly because he had supposed that I should desire to have the Monday afternoon free for prolonged discussion with Monsieur Briand. The result was that Monsieur Briand made no advance to me, whilst the Secretary-General urgently and repeatedly pressed me to open up conversations with him. I refused; but at

¹ For the records of this session of the Council of the League of Nations see *League of Nations Official Journal*, July 1926; see also Cmd. 2694 of 1926, *League of Nations. Fortieth Session of the Council. Report by The Rt. Hon. Sir Austen Chamberlain, K.G., M.P. (British Representative)*.

² June 9, 1926.

last, for fear lest my refusal to take the initiative should be interpreted as a refusal to discuss the matter, I was obliged to add that, of course, if Monsieur Briand wished to see me I was at his disposal at any hour. This message, which the Secretary-General conveyed to Monsieur Briand through Monsieur Avenol,³ reached him I think in a different form. At any rate, it produced upon his mind exactly the impression which I had desired to avoid, namely that I was anxiously awaiting such an interview and unwilling to begin the Council discussions until it had been held. This put me in a false position, and though upon the whole the result has been satisfactory I believe that I could have obtained something more if I had been allowed by circumstances to play my hand in my own way.

4. I will take the subjects which were in dispute *seriatim*.

*Hungarian Financial Control.*⁴

Count Bethlen⁵ had announced that the conditions upon which the control was dependent having been fulfilled, he was going to ask the Council to terminate it. This, as was subsequently made clear by the Chairman of the Financial Committee of the League, was a loose and inaccurate presentation of the case. The control is of various kinds, and what was at present principally in issue was not the continuance of a control which is still regarded by the Finance Committee as necessary and accepted by the Hungarian Government, but the continuance in office of the League's High Commissioner. Upon this point there was general agreement that the conditions laid down by the Protocol⁶ for the withdrawal of the High Commissioner had been completely fulfilled by the Hungarian Government, that the equilibrium of the budget and the stability of the currency were already assured, and that on financial grounds there was no justification for his continued presence; but the French and Czechoslovak Governments desired to connect this question with the bank note forgeries and to maintain the High Commissioner's office until September. I had stated the position of the British Government to be that in our opinion the continuation of this form of control could not be affected by the question of the forgeries from the moment that the forgeries themselves had not affected the stability of the financial position in Hungary, that it would be contrary to the terms of the Protocol to connect the two questions and to make the forgeries an excuse for the continued maintenance of the High Commission. If there was any question of a general enquiry, as had at one time been contemplated by the French Government, into the protection of bank issues, I should be ready to support such a proposal, but it must be kept entirely distinct from the question of control, raised in the Council as a separate issue and not imported into discussions or the report

³ Deputy Secretary-General of the League of Nations.

⁴ i.e. the control over Hungarian finance established by the scheme for the financial reconstruction of Hungary, drawn up by the League of Nations Financial Committee, and embodied in Protocols I and II signed on March 14, 1924: see *League of Nations Official Journal*, May 1924, pp. 802-7.

⁵ Prime Minister of Hungary.

⁶ i.e. Protocol No. II of March 14, 1924: cf. note 4 above.

of the Hungarian Committee. It is upon these terms that the matter has now been arranged, though it would be to expect too much of human nature to suppose that my French and Czechoslovak colleagues will get through the discussions without making some reflections upon the Hungarian Government which can serve no useful purpose and may embitter feeling for a time.

5. *The Saar.*

You are aware that the Commission of the Saar has been unable to reach unanimity on the Council's enquiry as to how order can be maintained on the withdrawal of the French troops. Mr. Stephens, the Canadian President of the Commission, and his German colleague report that no troops are necessary. The other three members of the Commission have reported that to guard the railway communications it is necessary to maintain two battalions of troops. Here again, I had stated the view of His Majesty's Government, after receiving the advice of the competent British military and legal authorities, that no such military protection is needed and that there was no legal basis for such a decision. Here I found Monsieur Briand very unyielding. He professed himself to be, and I believe was, genuinely anxious about the responsibility which he would incur if he left the railway system without the military protection which all the French military authorities declared to be absolutely necessary. He told me in confidence that, not content with the view of the military who often took, as he thought, exaggerated views, many of whose arguments he was unable to appreciate, he had consulted Monsieur Morize, the French member of the Commission, a man of great moderation on whose judgment he placed great reliance. Monsieur Morize had told him that, as regards the need for any general garrison, he might safely disregard the opinions formerly expressed by Monsieur Rault,⁷ but that Monsieur Morize himself, with his experience of the attempted sabotage that took place in the strike of a year or two ago, regarded it as absolutely necessary that certain vital points of the railway, upon which the victualling of the French troops in the occupied zone depended, should be afforded a protection sufficient to guard them for the first four or five hours of trouble before the arrival of reinforcements from France. Monsieur Briand said that he had led his country along the path of reconciliation with Germany, that he had made great concessions to the Germans, that he felt his responsibility to his country and that he could not disregard a danger so urgently indicated. He added that it was within the knowledge of the French Government that the German Government had included in their budget a large sum for hostile propaganda in the Saar and in Alsace-Lorraine, and that the German Socialists themselves had taken objection to it. He did not doubt the good faith of Dr. Stresemann, but he could not ignore the dangerous currents of opinion which existed in Germany nor the possibility that a less loyal government might some day be in power.

⁷ Chairman and French member of the Saar Basin Governing Commission from February 1920 to March 1926.

6. There appeared to be no possibility of reconciling our two points of view, but Monsieur Briand proposed that we should adjourn the consideration of this question till September. He informed me in strict confidence that he had already attempted to arrange a meeting with Dr. Stresemann. The course of events and particularly the financial crisis had hitherto made this impossible, but he hoped to meet Dr. Stresemann as soon as the Chambers had dispersed for the summer recess with a view to endeavour to make with him a general arrangement. He repeated what he has more than once said to me in the same confidential way as to his idea of shortening the occupation of the Saar. He said he had no desire to incorporate so many Germans in French territory even if they should be willing to become Frenchmen, nor did he attach any importance to the holding of a plebiscite. He would be prepared to consider also the position in the occupied zones. I warmly welcomed this suggestion. I told him that I had often thought that this was one of those cases where a broad general arrangement would be easier to secure and more likely to commend itself to public opinion in both countries than any attempt at individual and separate settlements of each of the points in dispute. I repeated that I thought that the number of troops now maintained in the occupied zones was absolutely indefensible. It put us wholly in the wrong and supplied Dr. Stresemann with a valuable retort to the many justifiable complaints which we had to address to him. Provided therefore that there was no change in the policy of gradual withdrawal hitherto proclaimed, that the interval between now and September was not merely used to postpone an awkward question but was devoted to a serious attempt to arrive at a settlement, I would support the adjournment. I should desire, however, that the proposal for adjournment should come, not from the French whose initiative might be a ground for suspicion, but from Signor Scialoja, Reporter of the Committee,⁸ who I had been given to understand himself desired a longer time for the study of the documents. I need scarcely point out that one result of the delay will be that, when the subject does come before the Council for a decision, Germany will be a member of that body. It is difficult in these circumstances to believe that Monsieur Briand would have proposed postponement unless he had a real intention to effect a friendly settlement and a real hope of being able to do so.

7. *Disarmament.*

Monsieur Briand repeated his assurances that Monsieur Boncour had no idea of reviving the [Geneva] Protocol by the memorandum⁹ which he had proposed in the Preparatory Committee and which that Committee had referred to the Council. He again asked why we could not agree that the Council should refer it, as proposed by Monsieur Boncour, to the Permanent Advisory Committee and the Mixed Committee according to the nature of the subjects to be discussed; and he asked me what were my objections to the document itself. I explained to him that some points in it presented no

⁸ For Signor Scialoja's proposal in this connexion on June 10 see *op. cit.*, July 1926, p. 879.

⁹ No. 16.

difficulty. Others appeared to me to require further precision and explanation, and the major portion of them, if accepted for discussion, seemed to me to raise political issues with which the two committees were not competent to deal; further, as Dr. Sthamer had informed me in London,¹⁰ the German Government, for reasons precisely analogous to those which had influenced the Americans in their refusal to appoint a member to the Permanent Advisory Committee, were averse from entering existing League organisations before they were members of the League; whilst, on the other hand, it would be most embarrassing for the Germans, and as it seemed to me most impolitic on our part, for us to discuss and decide questions which obviously related to Article 16 of the Covenant in the absence of any German representative. I was able to add a reason communicated to me here by Herr von Bülow¹¹ though not mentioned by Dr. Sthamer and which is, I have no doubt, the real ground of Dr. Stresemann's opposition. Herr von Bülow stated that he had had a long conversation with Dr. Stresemann upon the subject before leaving Berlin and that Dr. Stresemann had put the argument differently to him. He had stated that Article 16 had been the subject of prolonged and excited controversy in Germany, that it was this Article which had formed the principal obstacle to Germany's entry into the League, that the agitation had now died down and the great majority of Germans were in favour of a League policy, but if between now and September the subject was under discussion in Geneva it would almost certainly revive the agitation in Germany and might even endanger Germany's application for membership.

8. To obviate these objections and at the same time to meet as far as I could the French point of view, I suggested that the Council should appoint a special committee *ad hoc* comprising representatives of the States members of the Council and Germany (a) to advise the Council what measures it could appropriately take to secure the rapid decisions contemplated under paragraph 1 of M. Boncour's memorandum; (b) to examine the questions enumerated under the headings 2 and 3 and to define more exactly their scope and object; (c) to advise the Council as far as may be what answer should be given to these questions or, where necessary, to what technical body they should be referred. After a night's reflection and some communication with Monsieur Boncour, Monsieur Briand asked me whether it might not be preferable to adjourn the discussion until September and whether I would accept such a proposition. I replied that I accepted with alacrity. Subsequently, some difficulty arose with Monsieur Boncour as to the exact way in which this proposition should be presented to the Council. He apparently desired that the reporter should recommend the reference of his memorandum to the two committees, that I should then propose as an alternative the adjournment to September which he would accept reluctantly but in deference to the wishes of Great Britain. This suggestion was unacceptable to me as it placed me in an invidious position of opposition to the reporter. The difficulty has been solved with the assent of the reporter by an arrangement that

¹⁰ See No. 44.

¹¹ Cf. *Akten zur deutschen auswärtigen Politik 1918-1945*, Series B, vol. i, part 1, No. 242.

he should say that after consultation with certain of his colleagues and particularly the representative of Great Britain and in consequence of their views, he proposed the adjournment. Monsieur Boncour would yield to this sentiment while expressing his regret at the delay. I accepted this proposal and share of responsibility attributed to me. All difficulty with Germany will be removed by the adjournment, and though we may be no nearer agreement in September than we are now I am beginning to incline to the opinion expressed by Lord Balfour that we shall have to admit the discussion and leave the French to learn by experience that it leads nowhere.¹²

9. *The composition of the Council.*

This subject arises in consequence of the report presented by the Preparatory Committee¹³ but I am glad to say that as far as I know there is now no difference between the French Government and ourselves as to the policy to be pursued. Monsieur Briand and I were agreed, first, that all discussion of the matter in the Council at this moment was to be deprecated and that it would be sufficient to take note of the Committee's report and to circulate it to the States members of the League. A further question arose as to the date on which the Committee should re-assemble and indeed as to whether it was desirable that it should meet again. We found ourselves in agreement in considering that it was certainly undesirable to take up the discussion about the permanent seats as early as June and that it might well be undesirable that the Committee should resume at all its discussion of this point. The Spanish Government had been persuaded at the last moment to revoke its decision not to be represented at the present Council meeting and the chair usually filled by Monsieur Quiñones de Leon¹⁴ was now occupied by the Spanish Chargé d'Affaires at Berne. The representative of Brazil was absent the first day but rejoined the Council to-day. Monsieur Briand felt that it was most undesirable to do anything which would provoke an immediate declaration of a decisive character from either of those Powers. Monsieur Briand felt that time must be given to bring persuasion to bear upon their governments and that the best solution would be that the Council should itself have a special meeting in the month of August to prepare the way for the Assembly and to remove the possibility of a repetition of the March failure. This proposition is, as far as I can see, acceptable to the other members of the Council and will be followed in the main when the subject comes under consideration tomorrow. I fear, however, that we shall not escape a series of declarations since Monsieur Motta's¹⁵ report might give rise to a

¹² In a brief report on his conversation with M. Briand on the topics recorded above, Sir A. Chamberlain further stated in Geneva telegram No. 116 L.N. of June 8: 'Troops in occupied zones. M. Briand's policy of reduction is unchanged. He requires time for it, I agree, but he anticipates further early reduction.'

¹³ Cf. No. 6, note 1, for the report of the Committee on the Composition of the Council.

¹⁴ Spanish Ambassador at Paris.

¹⁵ M. Motta, Swiss Vice-President of the Federal Council and Head of the Political Department, had been Chairman of the Committee on the Composition of the Council.

misapprehension from the point of view of the Italian Government of the conditions on which he reluctantly assented to Lord Cecil's proposal for an increase of the temporary seats and I understand from the Spanish representative that he has instructions to make a declaration to the effect that the position of the Spanish Government is unaltered. I hope, however, that this declaration will not take the form of a definite statement that in certain contingencies they would withdraw from co-operation with the League.

10. It is impossible to attempt such a survey of the proceedings of the Council without recording the fact that at its meeting to-day it was able to record the complete success of the Austrian scheme of financial reconstruction,¹⁶ due in such large measure to Lord Balfour, and to decide to withdraw the control on the 30th June.

I have, &c.,
AUSTEN CHAMBERLAIN

P.S. The declarations which I foresaw were of a more serious character than I had anticipated. Though received with profound regret at the moment, I am at the time of writing a few hours later inclined to the view that it is just as well that events took the course they did at today's sittings.¹⁷ For the ratification by Spain of the 1921 amendment of the Covenant removes one obstacle from our path; the declarations made by the Spanish & Brazilian Govts. assure unanimity for the attribution of a permanent seat to Germany in September & in effect admit that no other addition to this class of seats can be made, & lastly it is still open to both the Spanish & Brazilian govts. to reconsider their policy & the declarations made by other members of the Council may perhaps afford them a sufficient justification in their own eyes for so doing.¹⁸

A. C. *June 10th.*

¹⁶ See No. 43, note 4.

¹⁷ At the morning meeting of the Council on June 10 the Spanish representative had stated that his Government would ratify the amendment agreed in 1921 to article 4 of the Covenant of the League of Nations (printed in Cmd. 1840 of 1923). This amendment provided that the Assembly should fix by a two-thirds majority the rules regarding the election of non-permanent members of the Council. At the afternoon meeting on June 10 the Spanish representative stated that the attitude of Spain regarding her claim to a permanent seat on the Council had undergone no change. At this meeting the Brazilian representative made a statement in explanation of his Government's decision to vacate its seat on the Council and notify its resignation from the League of Nations.

¹⁸ On June 10 Mr. Gurney, Counsellor in H.M. Embassy at Madrid, reported in his telegram No. 70 that the Spanish Minister for Foreign Affairs had informed him that morning that the Spanish Government 'had "irrevocably" decided to withdraw entirely from League of Nations if they are not given a permanent seat'.

Sir A. Chamberlain (Geneva) to Sir W. Tyrrell (Received June 12)

No. 39 L.N.C. [W 5314/5314/4]

GENEVA, June 9, 1926

Sir,

Monsieur Vandervelde¹ informed me yesterday that Monsieur Briand had made to him in substance the same communication as he had previously made to me of his intention to arrange a meeting with Dr. Stresemann and to attempt some general arrangement of outstanding problems. Monsieur Vandervelde added that, in reply to his representations, Monsieur Briand had not attempted to defend the present numbers of the troops of occupation which Monsieur Vandervelde like me felt to be indefensible.

2. Monsieur Vandervelde then said that he desired to inform me of what had passed between the German and Belgian Governments in relation to Eupen and Malmédy. Monsieur Vandervelde said that the inhabitants of these territories were undoubtedly German and not Walloon, and that he personally had never much liked their annexation. Moreover, the plebiscite which had been held had been a plebiscite *pour rire*, and it could not be pretended that it represented the real opinion of the inhabitants. Dr. Stresemann had proposed to the Belgian Government that a real plebiscite should now be held in those districts, that if the result was favourable to Germany the districts should be returned to Germany, and that in exchange Germany should take over from the Belgian Government the marks left in Belgium after the German withdrawal. Monsieur Vandervelde observed that there were obvious objections to both these proposals. It might be displeasing to others who were interested in the treaties of peace, and, in particular, to Belgium's friends, that the territorial settlement should be so quickly altered, and the proposed repurchase of the marks would be valueless unless the payment for that purpose had priority over reparations, which again was a proposition unlikely to be agreeable to her friends. To the latter objection Dr. Stresemann had answered that the payment would not be made by the German Government but that a corporation would be formed which would effect the operation. Monsieur Vandervelde had, however, replied that the Belgian Government could not entertain such proposals unless invited to do so by her late allies.

3. I thanked Monsieur Vandervelde for the information. I observed that I naturally could express no opinion on behalf of my Government (and indeed could only express a personal view with great reserve) until I had had further opportunity for consideration, but at first sight it appeared to me that there was great weight in the objections which he himself had urged.

4. Monsieur Vandervelde, in the course of the day, introduced me to the Minister of Finance in the late Belgian Cabinet.² I happened to pass through the lobby to-day at a moment when they were in consultation and Monsieur

¹ Belgian Minister for Foreign Affairs.

² M. Janssen.

Vandervelde stopped me. He referred to the statement which had appeared in the press that Monsieur Janssen and himself had come to an agreement with Monsieur Briand and Monsieur Loucheur³ for correlating the French and Belgian franc. Monsieur Vandervelde said that this was not the case but that the subject was certainly one of interest to Belgium. He added, and this was clearly the reason why he had stopped me, that the effect of the recent fall in the franc and of the failure of the Belgian effort to secure a loan (which he attributed in the main to the attitude of Mr. Strong⁴, but oddly enough in part to the supposed French proclivities of the Governor of the Bank of England), had undoubtedly affected the orientation of Belgian foreign policy. The new Cabinet,⁵ he said, was much more inclined to enter into the ideas of Monsieur Poincaré⁶ than the last. I could not help observing that the policy of Monsieur Poincaré would not help the restoration of either the French or Belgian franc. Monsieur Vandervelde agreed but nevertheless repeated that the failure to secure a loan and the resultant situation of the exchange increased the dependence of Belgium on France and did *pro tanto* affect the direction of her foreign policy.

I have, &c.,

AUSTEN CHAMBERLAIN

³ M. Loucheur was a French delegate to the League of Nations and a former Minister of Finance.

⁴ Mr. Benjamin Strong, Governor of the New York Federal Reserve Bank, had recently held conversations in London with French official representatives and British financiers regarding credits for the stabilization of the French exchange.

⁵ M. Jaspar had formed a new Belgian administration on May 20, 1926.

⁶ President of French Council of Ministers and Minister for Foreign Affairs, 1922-4.

No. 55

Record by Mr. Gregory of a conversation with M. Rosengolz¹

[N 2668/568/38]

FOREIGN OFFICE, June 10, 1926

The Soviet Chargé d'Affaires came to see me today by appointment and presented this note.²

I said that I would of course submit it to the Secretary of State, but I reminded him of the conversation which had passed on the same subject between Mr. Orde and himself a few weeks ago.³ At that time he had been informed that the moment was not a favourable one for raising a question with the implications involved. The present moment, it seemed to me, was still less favourable.

¹ M. Rosengolz was in charge of the Soviet Mission in London during the absence through illness of M. Krassin, the Soviet Chargé d'Affaires *en titre*.

² Not printed. This Soviet note of June 10 proposed to H.M. Government that 'the diplomatic representations of the two countries should be termed "Embassies"'.³

³ At this conversation on May 7, M. Rosengolz had foreshadowed the sending of the present note.

M. Rosengolz replied that no doubt I referred to the agitation that was going on in regard to the Russian subventions to the miners, but he could assure me that the attitude of the Soviet Government had been and was perfectly correct in this matter. He would not deny, of course, that the sympathies of the people in Russia were with the miners, but that did not involve the Government.

I said that I was not concerned for the moment either with the agitation here or with the sympathies of one industrial population with another, but with a single fact that had been reported to us by Sir R. Hodgson, namely the exceptional permission granted by the Soviet Commissariat of Finance to export funds to this country for the furtherance of the General Strike. We were well aware that there was a law in Russia which prevented the export of funds abroad save in very exceptional circumstances, and that only for commercial purposes, and that nevertheless consent had been given for sending large sums of money over here with an obvious object. That the cheque had been refused⁴ was not to the point. Unless the Soviet Government had deliberately allowed it, it could never have been sent. With the best will in the world, we could hardly regard this as anything but a direct interference in our domestic affairs, and the improvement in our relations which we had all hoped for must necessarily be retarded.

M. Rosengolz endeavoured at great length to prove that we could draw no distinction between Russia and other countries in regard to the despatch of funds to help the strikers, and I was obliged on my side at almost equal length to argue that the whole point was the existence in Russia alone of the particular law which it required administrative action to waive, and that, explain it away as he might, he could not dispute his Government's action in the matter. Moreover, he himself admitted that the whole Soviet sentiment was favourable to our general strike, and, though I was not in a position to charge actual members of the Government with speeches directed against the Government of this country, the hostile declarations of leading personalities were public knowledge and these must necessarily react on opinion here. In fact he was getting evidence of it every day in our press. I was obliged therefore to repeat that, much as we might desire improved relations, M. Rosengolz's Government were certainly not helping towards improvement, and the moment seemed to me therefore ill-chosen to raise the sort of question which formed the subject of his note. He would, however receive a reply in due course.

I submit a possible draft herewith.⁵

J. D. G.

⁴ In a letter of June 12 to the Prime Minister, Mr. Walter Citrine, Acting Secretary of the General Council of the Trades Union Congress, stated that the General Council had received no moneys from the Government of the U.S.S.R. and that money received from the Russian Trades Unions had been returned. This letter was published in *The Times* of June 14, 1926, p. 14.

⁵ Not printed. The note of June 21 to M. Rosengolz stated that 'His Majesty's Government consider the present moment ill chosen for any discussion of the proposal' that the Soviet Mission in London should be styled an Embassy.

Memorandum by Mr. Gregory

[N 2868/1687/38]

FOREIGN OFFICE, June 11, 1926

RUSSIA

In the Secretary of State's absence, the press agitation against the Soviet Government on account of the financial support given to both the General Strike and the Miners' Strike has gathered considerable momentum. Within the last twenty-four hours the situation has been aggravated by (a) Lord Birkenhead's speech containing a passage to the effect that 'it had been openly claimed by a person speaking officially in Moscow that these moneys were being paid officially' (Flag A)¹ (b) the Home Secretary's statements in the House yesterday (i) that he had 'just received an intimation from the Foreign Office that we are satisfied that during the General Strike, the Russian Government did send money to this country, transferring funds for the purposes of the Strike', and (ii) 'His Majesty's Government are satisfied that money has been sent from Russia, including some money from the Russian Government'. (Flag B)² These statements, the latter two of which were based on a verbal misunderstanding,³ though no doubt substantially true, are

¹ For a report of the speech made on June 9 by Lord Birkenhead, Secretary of State for India, see *The Times*, June 10, 1926, p. 13.

² For these statements by Sir W. Joynson Hicks, see *Parl. Debts.*, 5th. ser., H. of C., vol. 196, col. 1676.

³ In a minute of June 13 to Sir A. Chamberlain, Mr. G. Locker Lampson, Parliamentary Under Secretary of State for Foreign Affairs, stated:

'I think I had better put on record what happened in the House last Thursday [June 10] in connection with the Home Secretary's statement about Russian money for the General Strike.

'He was in the midst of an altercation with the Labour Party and I went and sat beside him. While he was standing at the box I leant forward and tried to give him the gist of Hodgson's information about the Soviet Govt's action in allowing the transfer of money for the purposes of the General Strike.

'A great noise was going on and it was therefore extremely difficult to convey to him what exactly had taken place. In the exchange of observations with the Labour Party he therefore went a little beyond what I had tried to tell him.

'Unfortunately my own question, No. 67 on the Paper, was not reached. Had it been reached, I had intended, in view of what had just transpired, to add to my typed answers the information given us by Hodgson and the fact that we had sent a protest to Moscow. This information was originally only to have been used as a supplementary answer in case of necessity. Question No. 67 was however not reached and so the opportunity of clearing the air was lost.

'If the Home Secretary's answer on Thursday last is studied, it will be seen that it diverges from Hodgson's despatch [cf. No. 52, note 1] in the statement that the Soviet Government sent its own money: the truth being that it took official steps to enable money to be sent for the General Strike. This distinction will not, I believe, carry any weight in the House or with the public and I do not attach much importance to it. If, however, the Home Secretary is questioned, I think perhaps I ought in fairness to him to explain to the House that in the noise that was going on I was not able to give him sufficiently clearly for his purpose the information I had.

'Perhaps I had better take this opportunity of mentioning that I saw last Friday in my

not susceptible of proof at present and are not consistent with the line we have taken here, which has so far been confined to charging the Soviet Government with a single specific offence, namely that they have waived their law prohibiting the export of capital in the particular instance and have thereby furthered the General Strike. In this connection, I beg to call attention to the conversation, of which a record⁴ is attached, which I had yesterday with the Soviet Chargé d'Affaires. Since then, he has asked for an interview with the Secretary of State in order to discuss the Home Secretary's statements.

Two issues arise out of all this. The first is how to reconcile these statements with our own information. The second is the general policy to be pursued.

As regards the first, I have discussed with Mr. Locker-Lampson the best procedure to follow and he is of opinion that, from a Parliamentary point of view, it will be possible to slur over the difference by stating, in reply to a Question, that a note has been sent to Moscow in regard to the transfer of funds for the General Strike, and trust that the House will not press the distinction. There are a crop of questions down for Monday,⁵ and Lord Balfour (with whom I have talked the matter over at great length) is to make a statement in the House of Lords in reply to Lord Newton.⁶ It is, I think, devoutly to be hoped that the official information that His Majesty's Government have taken action (it doesn't much matter what) at Moscow will relieve the tension, and, if we can come successfully out of the questions on Monday, the whole thing may perhaps be able to rest there and the Home Office 'comprehensive statement' promised, I think, for Wednesday or Thursday need not take place.

On the question of general policy, I feel convinced that there is nothing to be gained by violent action, in other words, the denunciation of the Trade

room at the House the chief of the Daily Mail staff. I pointed out that the day before their lobby correspondent had questioned me and had then twisted my remarks somewhat unfairly in Friday's "Daily Mail", making out that the F.O. were being unduly lenient to Russia in order to save some paltry trade advantages. After a little talk he agreed and said he would speak to the lobby correspondent.

'I urged him to use his influence with his paper to look at the Soviet question all around—not to give any hasty advice for extreme measures which might do this country more harm than good in the long run. In regard to propaganda I said that I believed it was a form of missionary religion with the Soviet all over the world and that it was hopeless to think we could suppress it. Germany, where Soviet communistic agitation was rife, had made a treaty with Russia. It would be unwise of us, without very careful consideration, by taking some extreme step to hand over what trade we had or might acquire in the future to other competitive countries who were only waiting to take advantages of us.

'Until Thursday last I have always been able to avoid Press correspondents, and this last experience does not encourage me to alter the habit: but I have seen Sir W. Tyrrell, who thinks that it is a wise plan to keep in touch with the Press and to try to guide it along right lines.

G. L. L. 13/6/26'

⁴ No. 55.

⁵ June 14, 1926.

⁶ For Lord Balfour's statement of June 17, see *Parl. Debs.*, 5th ser., H. of L., vol. liv, cols. 465-74.

Agreement⁷ and the expulsion of the Russian Delegation and Arcos.⁸ There is no use in slamming a door which has only got to be opened again quite soon. If there was any reason to believe that the present regime would fall as a result of a rupture of relations, there might be some sense in such action. But we know that this would not happen, and we should only find ourselves six months hence in an embarrassed position, conducting our routine business with the Soviets in a neutral capital and wondering how on earth to resume direct relations. Moreover we should undoubtedly lose money. Quite a considerable number of Russian orders have been placed in this country and many of them on a credit basis and a break would undoubtedly involve certain firms in a substantial loss. Moreover the funds from Moscow will get in just the same, whether we have the Russian Delegation here or not.

There is, however, of course, just this to be said on the other side. The strong line has recently succeeded in Egypt, and it is perhaps a proof that our prestige is higher than we are aware of. The effect of our breaking off relations with Russia might enable us to resume them on a more satisfactory basis, but it is impossible to conceive relations with the existing regime in Russia which could under any circumstances be satisfactory.

The balance seems at present—unless our hand is forced by some new iniquity from Moscow—in favour of continuing our present policy. I had a considerable conversation on this subject at the Home Office this morning with Sir J. Anderson,⁹ who *personally* shares this view, but I understand from him that the Home Secretary is circulating a memorandum¹⁰ to the Cabinet discussing the whole question and possible courses of action.¹¹

J. D. G.

⁷ For documentation regarding the Trade Agreement of March 16, 1921, between the Governments of the United Kingdom and of the Russian Socialist Federal Soviet Republic (printed in *British and Foreign State Papers*, vol. 114, pp. 373–9) see First Series, Volume VIII, *passim*, and Volume XII, Chapter V.

⁸ All-Russian Co-operative Society Limited.

⁹ Permanent Under Secretary of State in the Home Office.

¹⁰ This memorandum of June 11 is not printed.

¹¹ Sir W. Tyrrell stated in a minute of June 12 that he agreed with Mr. Gregory.

No. 57

Sir W. Max Muller¹ (Warsaw) to Sir A. Chamberlain (Received June 15)
No. 290 [N 2758/41/55]

WARSAW, June 11, 1926

Sir,

I have the honour to report that I had a lengthy conversation this morning with M. Zaleski on the general foreign policy of the new Polish Government.²

2. M. Zaleski began by saying that though he was still only acting as Foreign Minister and did not know whether he would be asked to accept

¹ H.M. Minister at Warsaw.

² A statement on the general lines of that recorded below had been made to Sir A. Chamberlain by M. Skirmunt, Polish Minister in London, on June 3.

the substantive post—an honour which he was far from seeking—he felt that he was, nevertheless, in a position to enlighten me on the general lines of the policy which the Government intended to pursue in their relations with foreign countries. There was, he assured me, to be little if any modification of the foreign policy of the previous Government which had been in harmony both with the vital needs and the pacific aspirations of the nation. Indeed he would make bold to say that whatever government was in power in Warsaw, its foreign policy, in its essentials, would remain the same. I had, he continued, probably read some of the interviews which he had given to the press and must have concluded from them that the new Government would follow a policy of peace and indulge in no adventures.

3. I gathered that in the west Poland had no intention of abandoning the policy of Locarno. The alliance with France, M. Zaleski said, remained the corner stone of Polish foreign policy, but he need hardly assure me that he, who owed so much to the education which he had received in London, and who had always been such an admirer and friend of everything English, would do all in his power to promote good relations and a close understanding between the two countries.

4. As to the neighbouring states peace all round was the *mot d'ordre* of the Government. With Roumania and Czechoslovakia Poland was on terms of close intimacy and here there would certainly be no change.

5. M. Zaleski gave me similar pacific assurances regarding the intentions of the new Government towards Russia, the Baltic States and Germany, but for convenience sake I am embodying his remarks on these countries in separate despatches.³

6. Finally, M. Zaleski explained that there was one direction in which, under certain circumstances, the Polish Government might have to modify their present attitude and that was towards the League of Nations. There was, he said, no need for him to go over the whole history of Poland's claim to a permanent seat on the Council of the League of Nations as I no doubt knew it quite as well as he did, but he would like to remind me that both Count Skrzynski⁴ and M. Sokal⁵ had shown a most conciliatory spirit in not

³ Warsaw despatches Nos. 291 (printed as No. 58) and 292 (not printed). In the latter despatch Sir W. Max Muller stated in particular that M. Zaleski had informed him that Marshal Pilsudski was determined not to indulge in any adventures as regards Russia and the limitrophe states, and that 'the policy of the present Government was quite clear, they wished to live on good terms with Soviet Russia; they relied on the treaty of Riga [of March 18, 1921; printed in *British and Foreign State Papers*, vol. 114, pp. 917-50] as the basis of their relations with the Soviet Government and they were ready to conclude a pact of non-aggression with that Government provided Finland, Latvia, and Estonia were parties to it, but they would refuse to sign a separate pact which would oblige them to observe neutrality in the event of a Russian attack on one of the Baltic States. On the other hand they were equally determined not to conclude a guarantee treaty with Finland or the Baltic States as they felt such a treaty would only involve them in fresh responsibilities without any corresponding advantages.'

⁴ Recently Polish Prime Minister and Minister for Foreign Affairs.

⁵ Polish representative on the Committee on the Composition of the Council of the League of Nations.

pressing unduly the Polish claim. The Polish Government had accepted in good part the axiom that the permanent seats were to be granted only to the great Powers with world-wide interests, but they maintained that, owing to Poland's geographical position which placed her in the midst of the dangers that most threatened the peace of Europe, dangers which concerned her quite as much as Germany, she had an equal right with Germany to have a seat on the Council to which these dangers would be referred for discussion. Poland had never made her claim to permanent representation on the council a question of prestige as Spain and Brazil had done; for her it was a question of vital interest. Poland did not seek the shadow but the substance and was ready to accept any scheme which assured her of a seat on the council under whatever name that seat was granted to her. Further than this, however, no Polish Government could go, and here all parties in Poland were unanimous. Lord Cecil had paid an eloquent tribute to the loyalty and moderation of the Polish representative at the recent meeting of the special Commission in Geneva, but this must not be taken to mean that Poland abandoned her claim as defined above. If, however, any power such as Spain or Brazil, not admittedly a great Power, obtained a permanent seat, Poland would in self-defence be bound to renew her claim to similar treatment. He could not believe that the result of Poland's conciliatory attitude would be that she would be less well treated than Powers who had held a pistol at the head of the League. Such action would be, in plain words, to yield to blackmail and could not fail to redound to the discredit of the Council of the League generally. To this Poland could not be a party. His last wish was to appear to bluster or threaten, but he thought it only right to make it clear that any such decision must inevitably weaken the ties uniting Poland to the League of Nations and under-mine the confidence felt in the impartiality of that body. He did not, for a moment mean to imply that Poland would even in such case leave the League but she would certainly come to rely far less on its influence and support.

7. M. Zaleski finished by saying that he had instructed M. Sokal, their representative on the Commission for the Reconstruction of the Council, to ask for an interview in order to make the Polish case quite clear to you. He also said that he had just heard from Geneva that the next meeting of the Commission had been put off till August, presumably in the hope that time would bring wisdom to the minds of the Spanish and Brazilian Governments, and added that the Polish Government would probably take the occasion of the next meeting to suggest the tightening up of the conditions regarding the re-election of the three holders of non-permanent seats on the Council as he could not help feeling that the scheme elaborated by Lord Cecil and adopted by the Commission left the chances of re-election for Poland very vague, but he had not yet thought out the question sufficiently to be able to tell me what form his suggestions would probably take.

8. Public attention, which during the past few weeks has been fully engrossed with Marshal Pilsudski's *coup d'état*, the election of a new President and the appointment of a new Government, has during the last few days

begun again to occupy itself with the question of Poland's representation on the Council of the League of Nations. The 'Gazetta Poranna Warszawska' talks of the struggle going on at Geneva for a permanent seat for Spain and Brazil, while no one knows exactly what Poland wants. The opportunity is made use of to throw mud at Count Skrzynski, who is accused of having sacrificed Poland's claim to a permanent seat in order to curry favour with the British Government and win the praise of the British representatives at Geneva, but nothing has come of all this, and while Spain and Brazil maintain their demand for a permanent seat, which is merely a question of prestige with them, nothing at all is heard of Poland's more modest claim to a seat with the right of re-election, which can in any case only be regarded as an indifferent safeguard against German intrigue and aggression. The 'Rzeczpospolita' writes in a similar strain and also attacks Count Skrzynski for his feeble policy at Locarno in not at once stipulating for a permanent seat for Poland and for the illusions which he cherished as to the support of Great Britain.

I have, &c.,
W. G. MAX MULLER

No. 58

Sir W. Max Muller (Warsaw) to Sir A. Chamberlain (Received June 15)
No. 291 [C 6881/234/18]

WARSAW, June 11, 1926

Sir,

In the course of my conversation this morning with M. Zaleski on the general policy of the new Polish Government I asked him what that policy was to be towards Germany, as it was undoubtedly of paramount importance for Poland, both politically and economically, to be on good terms with her great western neighbour.

2. M. Zaleski replied that he personally had long been convinced of the necessity of coming to some mutually satisfactory understanding with Germany, and his view was shared by Marshal Pilsudski and the other members of the Government. He was glad to be able to tell me that the commercial negotiations were at present proceeding in a more friendly and conciliatory atmosphere, and that he had every hope that they might in time lead to the signature of a commercial treaty. I ventured to remark that the opening of the German market was of such vital importance for the restoration of Poland's trade and of her general economic situation, the depressed condition of which had certainly been one of the causes leading up to the recent *coup d'état*, that I felt that it would be worth while for the Polish Government to make considerable sacrifices in order to achieve this end. M. Zaleski replied that he entirely agreed with me and that he himself was in favour of granting full rights of residence in Poland to Germans, and hoped that he would be able to induce the Cabinet to accept this view, and, if sub-

sequently Germans came into this country and abused the privileges granted to them, that would be a question for the police to deal with and not the Foreign Minister. Generally speaking, he added, he had every hope that with equal good-will on both sides Germans and Poles might be brought to see that it was in their mutual interest to live on good and neighbourly terms.

3. M. Zaleski has advocated the need for a rapprochement with Germany in more than one interview that he has accorded to journalists, both Polish and foreign, declaring that no efforts would be spared as far as the Polish Government were concerned to establish normal relations between the two countries, and that it depended entirely on the corresponding good-will to be shown by Germany how far those efforts would succeed; but in saying this he must not be understood to be contemplating even the remote possibility of yielding on the territorial questions which the Polish Government regard as settled once for all by the treaty of Versailles.

4. I am forwarding a copy of this despatch to His Majesty's Ambassador at Berlin.¹

I have, &c.,

W. G. MAX MULLER

¹ Lord D'Abernon subsequently reported in Berlin telegram No. 197 of July 24 that 'friendly declarations of Polish Minister for Foreign Affairs towards Germany have produced a considerable effect and are widely reproduced in the press'.

No. 59

Memorandum by Mr. Sargent

[C 6825/6012/62]

FOREIGN OFFICE, *June 14, 1926*

Briefly put the position would seem to be as follows as regards all enemy countries:—¹

(1) The Commission of Control's definite duty is to supervise the execution of the clauses which according to the treaties ought to be executed within a fixed time limit. As soon as these time limit clauses have been executed, the Commission of Control must be withdrawn. It cannot be kept on in order to see that they continue to be observed or to supervise the observance of clauses to the execution of which no time limit is attached.

(2) As soon as the peace treaties enter into force, the League of Nations has the right to carry out 'investigations' in order to see that all the military, naval and air clauses are being observed. Among other things they can supervise the continued observance of the time limit clauses after these have been executed under the supervision of the Commission of Control.

(3) As a matter of convenience the League of Nations does not exercise its rights of investigation so long as the Commission of Control remains in being.

¹ Mr. Lampson had enquired as to the proposition: 'it is no part of our (the ex-Allies) business to see that the disarmament clauses [of the treaties of peace], once complied with, are still acted up to'.

(4) As a matter of convenience, so long as the Commission of Control remains in being, it sees that those of the time limit clauses which have been executed, continue to be observed, and supervises the observance of those to the execution of which no time limit is attached.

(5) In the case of Germany when the final allied demands as regards military clauses were communicated to the German Government in May [sic] 1925, it was decided (see Germany print June 2, 1925, Section 2)² that the latitude hitherto allowed to the Commission of Control under (4) should be curtailed, and that the Commission should cease any general investigation into the military state of Germany, i.e. should cease to control and limit itself merely to negotiating a general settlement of the allied demands. The only exception made to this rule was that if in the course of its 'mission' it became aware of any new infraction of the treaty, even if it applied to the clauses considered as actually executed, it was to report the matter to the C[omit  ] M[ilitaire] A[lli   de] V[ersailles]. It will be observed that in these cases the Commission was not authorised to take any action on its own authority to put an end to the infraction.

O. G. S.

² The reference was to the instructions to the Inter-Allied Military Commission of Control in Germany in connexion with the note from the Allied Governments presented to the German Government on June 4, 1925. This note is printed in Cmd. 2429 of 1925.

No. 60

Sir R. Hodgson (Moscow) to Sir A. Chamberlain
(Received June 16, 1.15 p.m.)

No. 135 Telegraphic [N 2800/1687/38]

MOSCOW, June 16, 1926, 11.30 a.m.

My telegram No. 135.¹

I have received following reply from Commissary of Foreign Affairs dated June 15th:—

Having studied British government's memorandum handed to Peoples Commissary of Foreign Affairs June 12th Soviet government consider it necessary to point out to British government that in Soviet Union there is no general prohibition on export of funds abroad but only restriction on its export by means of issue of permits in each individual case.

Soviet government, which represents will of workers and peasants of the Union of Soviet Socialist Republics, could not forbid trade unions, in which are organised millions of workmen of Union of Soviet Socialist Republics to transfer funds abroad in order to support trade unions of another country.

¹ It was suggested on the filed copy that this reference should read: 'Your tel. No. 132.' See No. 52, note 2.

Soviet government at the same time call British government's attention to utterances—harmonizing neither with actual facts nor with normal relations between governments—of certain of its members, to the effect that sums remitted to general council of English Trade Unions were sent by Soviet government, whereas they were in fact sent by the All Union Central Council of Trade Unions in agreement with Central bodies of Soviet Trade Unions.²

² This note is printed in a variant translation by Jane Degras, *Soviet Documents on Foreign Policy* (London, 1951 f.), vol. ii, p. 119. *V. ibid.*, p. 118, for the note of June 12, to similar effect, from M. Rosengolz to Sir A. Chamberlain. The Russian text of these notes is printed in *Dokumenty Vneshney Politiki S.S.S.R.* (Moscow, 1957 f.), vol. ix, as Nos. 183 and 178 respectively.

No. 61

Sir R. Hodgson (Moscow) to Sir A. Chamberlain
(Received June 16, 10.30 p.m.)

No. 136 Telegraphic [N 2812/1687/38]

MOSCOW, June 16, 1926, 7.45 p.m.

My immediately preceding telegram.¹

I submit following considerations arising out of correspondence:—

1. Restriction on transfer of funds abroad is designed to protect economic interests of Russia at a time when most stringent . . .² economy is being carried out within the country in view of seriously unfavourable balance of trade. Thus programmes for purchase of essential machinery abroad are being ruthlessly scrapped, staffs are being cut down, wages kept at a minimum, permits to leave Russia are being systematically refused and only granted in exceptional cases at charge of 300 roubles, persons leaving the country have to give exact list of wardrobe and may not bring back one stocking more than they took out; all this is being done in order to prevent expenditure of Russian money outside the country. Yet when it is a question of interference in internal affairs of other countries Soviet government, evidently being of opinion that transfer of funds for such purpose harmonizes with its economic interests, permits unlimited transfers.

2. Soviet government admits that not it, but trade unions govern the country. It cannot prevent the unions sending money abroad: it continues to hold up purchase of plant etc. absolutely required to restore industrial apparatus of the country and improve situation of home worker.

3. There are one million unemployed trade union members in Russia to-day, standard of living among workers is low and housing question is in an appalling state, country is alive with human vermin in the shape of waifs and strays, after nine years of nationalisation productive industries are unable to give living wage to workers and wages are often in arrears.

4. Hypocrisy of movement which is ascribed to spontaneous enthusiasm of workers is shown by the fact that union of transport workers though main-

¹ No. 60.

² The text is here uncertain.

taining ban on export of coal for England—which they can never be called upon to export—are loading oil cargoes obviously because failure to do so would be detrimental to financial interests of Soviet government. R[ussian] O[il] P[roducts] is blacklegging in England.

5. Press is evidently surprised at mildness of English memorandum and puzzled at absence of any reference to contribution being made by Soviet government. It deduces from our moderation that memorandum is forerunner of a violent attack, possibly an ultimatum.

No. 62

Memorandum respecting Anglo-Soviet Relations¹

[N 2811/1687/38]*

FOREIGN OFFICE, June 16, 1926

The situation which confronts us has been created by the action of the Soviet Government in giving the special permission which is necessary under its regulations for the transfer to this country of funds in aid of the general strike.

The general strike was, of course, an illegal and unconstitutional act representing a serious threat to established order and our system of government, and, whether the money came from the Soviet Treasury or from other sources, the granting of permission for its remittance amounts to a breach of the undertaking on which the Trade Agreement² is based: to refrain from any hostile actions or undertakings against Great Britain. We have protested against it briefly but firmly, and the question is whether any further action would be useful or beneficial to this country.

It is necessary, first, to say something about the position of the so-called Soviet Government and its connection with other bodies in Russia. It differs from all other Governments in not being in reality the supreme authority; it is more in the position of a special committee of administrators appointed to perform certain specified tasks and to represent Russia officially abroad. There is an elaborate hierarchy of Soviets from which the Soviet Government constitutionally issues, but in reality the effective rulers of Russia are the controlling authorities in the Communist party, the only political party which is allowed to exist. The leaders of the party rule it with a rod of iron, and the policy pursued by the party is the policy decided upon by its leaders. The most important organ of the party is the Politbureau, which is the real Cabinet of Russia.

The Communist party, is, of course, the life blood of the Communist International; it is unnecessary to say much on that point, which everybody will admit. What is its actual connection with the Soviet Government so called, that Council of Administrators of Commissars already mentioned? The

¹ According to the docket this memorandum was by Mr. Orde. It was circulated to the Cabinet.

² See No. 56, note 7.

President of the Council, the most important person in the Government, is Rikov, who is a member of the all-important Politbureau. Here is the connection established at the most central point of all. Kamenev and Trotsky,³ other members of the Government, are also members of the Politbureau. The most important questions of policy are referred to the Politbureau, which controls, in fact, the actions of the Soviet Government. Even such a matter as the granting of an important concession to foreign industrial enterprise is submitted to the Politbureau. On the other side it controls the Third International. Zinoviev, the notorious president of the Third International, is a member of the Politbureau, and the Politbureau controls the International by means of a delegation of five of its own members including Stalin, who is general secretary of the Communist party and perhaps the most important of the rulers of Russia. Clearest of all signs of the intimate connection between the Soviet Government, the Communist party and the Third International is the fact that Rikov, the Prime Minister, as it were, in the Government, is a member of this delegation from the party to the Third International. He in fact, and Kamenev also, has actually an official position in the Government, the Politbureau and the Third International.

It is unnecessary to labour the point further. As Mr. Ramsay MacDonald⁴ said in his note to the Soviet Government on the famous Zinoviev letter:—

‘No one who understands the Constitution and relationships of the Communist International will doubt its intimate connection and contact with the Soviet Government.’

But it may be well to add that the trades unions in Russia, from whom the money is supposed to have come, are, in effect, Government institutions or party institutions—the two being in essence the same thing—and not the product of independent enterprise. They actually have important Government functions. Direct connection between them and the Politbureau is established by the fact that Tomski, chairman of the Trades Unions Central Council, is a member of the Politbureau. The Red International of Labour Unions is simply a different form of the Third International working through different machinery.

The subordinate local Soviets are responsible, not merely for local interests, but for the execution within their districts of the orders of the Central Government; they form the highest authority in those districts and though the Soviet Government may argue that they have no responsibility for what they do, their actions can hardly be regarded as anything but Government

³ M. Kamenev was Commissar for Home and Foreign Trade; M. Trotsky was Chairman of the Concessions Committee, the Board of Electrotechnical Development, and the Industrial Technological Commission of the Supreme Council of National Economy.

⁴ Mr. Ramsay MacDonald, Leader of the Opposition, had been Prime Minister and Secretary of State for Foreign Affairs from January to November 1924. See item No. 7 in Cmd. 2895 of 1927 for the note of October 24, 1924, to M. Rakovski, Soviet Chargé d’Affaires in London, inviting his attention to ‘the enclosed copy of a letter which has been received by the Central Committee of the British Communist party from the Presidium of the Executive Committee of the Communist International, over the signature of M. Zinoviev, its president, dated the 15th September.’

actions. The Moscow Soviet, in issuing a fervent appeal in favour of the general strike, was, therefore, guilty of an act to which His Majesty's Government have every right to take strong exception.

Now we come to the source of the money and the responsibility of the Soviet authorities in connection with its remittance here. We have seen categorical denials that any of the money sent to this country was provided from Soviet State funds; it is alleged, so far as support for the general strike is concerned, to have come from the Red Trades Unions funds and collections from workers, and as regards support for the miners, from the same source, and especially from the wages of the Russian miners. There are one or two elementary calculations which throw some light on the matter. There are some 2 million industrial workers in Russia, and their average monthly wage is just over 40 roubles, or £4—in other words, the monthly industrial wage bill is nominally £8 million; but according to the same authority (the 'Trud,' the organ of the Central Council of the Red Trade Unions) the purchasing power of that wage bill is only £4,600,000, or 47s. a head per month. Further, the latest official wholesale index for all goods is 200, taking the 1913 level as 100—in other words, the industrial worker in the Soviet Union gets 23s. 6d. pre-war value per month—the equivalent of say 37s. a month or 9s. 3d. a week in Great Britain at the present moment. It says much for the spirit of self-sacrifice among the Russian workers if they are surrendering, as we are told they are voluntarily doing, a part of this trifling wage for the benefit of their British fellow trade unionists. It is as a matter of fact known that the contributions are levied under compulsion, often without the consent of the men, and at times directly against their wishes. This is not surprising, if only because the non-payment of wages in Russia is becoming acute. The poverty of the State trusts for which they mostly work is such that wages are falling into arrears.

When we turn to the funds for the miners the Soviet assertions are even more surprising. Miners in the Soviet Union are the worst paid of all industrial workers (except possibly the textile workers), and their wages are officially reckoned at 36 roubles a month.⁵ Now no less than 4 million roubles have been transferred to this country, alleged to have been subscribed by the Russian miners for their fellow workers in this country, that is to say, the entire wages for one month of 111,000 miners—and it is believed that there are less than 100,000 miners in the whole union.⁵

It is therefore scarcely credible that the amount of money raised, now amounting to some £380,070, can have been raised by contributions from the workers' wages, certainly so far as concerns the supposed contributions by the miners. The funds at the disposal of the trades unions themselves have, it is acknowledged, been drawn upon in anticipation of subscriptions by individuals. We cannot say whether their available funds are or are not sufficient for the purpose. If not, the responsibility of the Soviet authorities

⁵ *Note on filed copy:* 'Information just received shows that these figures are not correct. There were 388,000 workers in the mining industry on the 1st January, 1926, and wages have risen to 48 roubles a month.'

is engaged in yet another form, for the banks are State institutions, and advances by them therefore represent official loans.

If any part of the money remitted here came from Government funds, it might be thought that a corresponding item would have to appear in the budget—but the Soviet budget, though copious in statistics, is not lucid. The last budget includes the following items:—

	Million roubles				
Reserve funds	..	..	..	..	125·3
Subsidies funds	..	..	..	..	75·6
State Treasury operations	..	..	..	..	212·8
Deductions for local budgets	..	..	..	..	245·6

(This last, by the way, is a new item this year.) Now all these items may be genuine or they may not; it is impossible to tell, since only the vaguest explanations are given and no details of actual expenditure—but there are 658·3 [*sic*] million roubles (nearly 66 million sterling) which can be practically allocated at will for any purpose the Soviet Government may choose.

One thing only can be definitely brought home to the Soviet Government. By a law dated the 14th April of this year (No. 170 of 1926), for sums over 100 roubles a month 'the remittance or transfer of currency values abroad shall only be allowed on permission being given by the Special Currency Commission of the People's Commissariat of Finance,' and then only on proof of the necessity of payment for imports, covering commercial expenses, and 'for fulfilment of official orders, &c.' It is on the ground of this law that our protest has been based.

What this all amounts to is that technically the so-called Soviet Government, as such, can produce a case, apart from the permission given for the transfer of the money, which, while it cannot be accepted at its face value, is difficult to refute.

No other Government in the world would have received or expected the patience we have shown to the Soviet Government, but we have found it best not to take them or their offences against international comity too seriously. Unquestionably they have no sort of claim on our consideration, and our attitude towards them must be determined purely on motives of expediency. They are, as will be realised from what has already been said, a misnamed body; they are not themselves as a body responsible for the policy of Russia, but they are the representative body with which the outer world has to deal, and, as responsible to a large degree for the administration of Russia and the satisfaction of her practical needs, their interest is sometimes divergent from the interest of the pure revolutionary and disturber of the order and welfare of other countries, who finds his expression in the Third International. The International has expended great efforts and spent vast sums of money, which must of course have been raised by taxation, currency inflation, the profits of the State foreign trade monopoly and other Government means, but its success has been poor compared with its efforts, and there has always been the hope that the practical considerations of Russian welfare would tend

gradually to assume greater importance with the authorities than the rather unprofitable ambition of seeing revolution, misery and disease spring up in every foreign country. Since one cannot but believe in the ultimate power of sanity there is still hope of this kind, and the value of contact between Russia and the outer world lies to a great extent in its effect in increasing the importance of practical considerations, bringing the rulers of Russia into touch with outside opinion and bringing home to them the obstacles which the revolutionary side of their work puts in the way of their practical efforts to improve the welfare of their country.

This is all to the good of the world in general as well as of Russia. From the point of view of the more immediate interest of this country, there is this to be said in favour of not breaking off such relations as Russian policy allows us to maintain. A certain amount of trade is already in existence between this country and Russia. Its value to us in our present state of need cannot be dismissed as negligible and it may be hoped that it will gradually increase. British firms have accepted orders on credits covering a considerable period, and these orders, or the payment for them, will no doubt be lost in the event of a complete breach. What, on the other hand, is to be gained by a breach? Our main ground of complaint is the propaganda of the Third International. How will that be stopped if relations are broken off? It is no doubt facilitated by the presence of a diplomatic mission and of trade agencies in this country. But sufficient organisation to maintain it will always be maintained or created anew and money can always be sent in by one channel or another. Our war experience is enough to show that nothing short of a complete censorship and a financial and economic control scrutinising and allowing or forbidding every business transaction, will suffice to prevent it. In some ways it is even probable that a breach will lead to an increase of antagonism and an intensification of propaganda. The rulers of Russia will feel that nothing else is to be gained from us but the delightful spectacle of revolution and ruin, and the counter-attractions of practical economic advantage to Russia will disappear.

It must, furthermore, not be forgotten that Russia is almost invulnerable economically just as she is invulnerable militarily. She is not to be feared in either aspect and neither is she to be attacked with success. She may cry aloud for foreign credits or loans with which to build up her economy, but she can exist without them, and a rupture of trade relations cannot deal her a blow which she cannot support, and support with ease. She would not even be incapacitated if other countries such as Germany and the United States were to follow us. And it must be remembered that the Russian, and especially the Bolshevik mind, does not attach the same degree of importance to material considerations as we should do ourselves.

Letter from Mr. Roberts (Geneva) to Mr. Cadogan (Received June 22)
[W 5731/78/98]

GENEVA, June 16, 1926

Dear Cadogan,

Will you please look at the attached copy¹ of a report from Temperley to the D[irector of] M[ilitary] O[perations] & I[n]telligence], No. T.15, of June 14th?

The two points on which Temperley asks for instructions are the answers to be given to the following questions referred by the Preparatory Commission to Sub-Committee 'A':—

- (a) What regions could be considered separately from the point of view of the limitation of armaments;
- (b) To what extent does the experience acquired regarding the supervision of disarmament point to the possibility from a military point of view of general supervision.

To my mind the first of these questions is not one which should ever have been sent to the Military Sub-Committee, and the Preparatory Commission will have no cause for complaint if the Sub-Committee reply that they are unable to answer it. But they will probably have a shot at it, and I think it would be useful if the C[ommittee of] I[mperial] D[efence] could let us know here whether there are any points to which they attach real importance.

The second question is more important. I do not know that there would be any real harm in the German representatives on the Sub-Committee trying to show at length how effectively they have been disarmed, but it would be extremely undesirable if such a discussion led to the expression of divergent views by ourselves and the French upon the effectiveness or otherwise of the Inter-Allied Control Commission. Would it be possible for the Governments represented on the Control Commission to agree beforehand upon a common line to be adopted by their representatives at Geneva on the Sub-Committee? This point will probably not be debated for at least a fortnight; this should give time for something to be done.²

Yours ever
W. R.

¹ Not printed.

² Mr. Roberts, Colonel Temperley, and Admiral Aubrey Smith were present at a meeting of a subcommittee of the Committee of Imperial Defence which considered these two questions on July 13. As regards (a) the meeting agreed 'that the Foreign Office should propose possible regional agreements, the military implications of which should be examined by the War Office'. On August 8 Sir Austen Chamberlain minuted that the detailed memorandum which had accordingly been prepared by the Foreign Office was 'not very helpful but the fact is that the question or questions are not capable of an answer of any value, & I think it would be a mistake to attempt an answer to them. It is useless to frame imaginary pacts for countries which will not adopt them & to suggest guarantees by yet other countries which will not give them or would not be allowed to give them.' As regards (b), see No. 148, note 2.

No. 64

Mr. London (Geneva) to Sir A. Chamberlain (Received June 18, 4.40 p.m.)

No. 131 L.N. Telegraphic [W 5625/78/98]

GENEVA, June 18, 1926, 3.5 p.m.

Following for D.M.I. War Office from Colonel Temperley.

Your telegram June 17th.¹

Reply of military sub-committee was twelve pages in length and was forwarded to you by bag under my T.16² on June 15th. Definition of armaments was as follows:—

1. Forces in service in peace time (permanent organised armed forces and materials and establishments which they use).

2. Forces prepared for war time (reserves of trained personnel stocks of materials and preparations of every description undertaken with a view to war).

3. Ultimate war forces created during hostilities by means of all the general resources (these resources not being in themselves armaments properly so called) at disposal of a country.

Germany, Sweden and America voted against this definition. Remainder of reply dealt with various factors under 1A and 1B.

¹ This telegram, No. 59 to Geneva, requested Colonel Temperley to telegraph subcommission A's decision on the first part of Question I of the Questionnaire of December 1925 and the names of those powers who had voted in the minority.

² The reference was probably to a summary (not printed) of the proceedings of subcommission A on June 11 and 14.

No. 65

Sir A. Chamberlain to Mr. Addison (Berlin)

No. 83 Telegraphic [C 6901/24/18]

FOREIGN OFFICE, June 18, 1926, 6 p.m.

My despatch No. 717¹ (of the 2nd June. Allied-German Air Agreement).

The documents required from the German government in order to reach agreement on the outstanding points mentioned in paragraph 4 of Paris despatch No. 992² had not yet reached the Ambassadors' Conference last night.

2. If the documents have not arrived this morning, the French government will instruct their Ambassador in Berlin to urge the German government to send them without further delay.

¹ Not preserved in Foreign Office archives. This despatch transmitted to Berlin a copy of No. 34.

² No. 29.

3. If you[r] French colleague receives such instructions, please make similar representations to the German government in concert with him.³

³ Mr. Addison replied in Berlin telegram No. 186 of June 19 (not preserved in Foreign Office archives). The docket stated: 'French Ambassador is making representations in sense desired. German Secretary of State in reply to enquiry has intimated that instructions have been sent to German Ambassador in Paris that German Government agree to text of ordinance already settled in Paris regarding non-subvention of sporting associations, and that member of German Foreign Ministry is going to Paris on 22nd June and will communicate text of proposed ordinances regarding Reichswehr to Monsieur Massigli.'

No. 66

Minute by Mr. Kirkpatrick¹

[W 5550/78/98]

FOREIGN OFFICE, June 19, 1926

It looks from the summary of the proceedings on June 11th² as if the British delegation have been out-manoeuvred by the French.

Paragraph 14 of the instructions to Lord Cecil stated³

'His Majesty's Government are convinced that it is quite impossible to limit the ultimate strength of a country, and that any measures of disarmament must be confined to the peace strength only.

'They recommend therefore that—

'All measures of limitation should be confined to "Armaments" as defined above maintained in time of peace, and that no attempt should be made to limit "ultimate war strength".'

Now that the British delegation have agreed to include in the definition of armaments 'the ultimate war forces created during hostilities by means of all the general resources at the disposal of the country,'⁴ it seems that it will be difficult to carry out the instruction quoted above to the effect that no attempt is to be made to limit ultimate war strength.

The British delegation say that they made the concession because it was desirable to obtain a unanimous vote on the point. They pointed out that otherwise the French would have insisted on a wide definition which explicitly included resources as armaments; but it seems to me that the definition which has been agreed to amounts practically to the same thing.⁵

I. KIRKPATRICK

¹ A member of the Western, General and League of Nations Department of the Foreign Office.

² See No. 64, note 2.

³ See No. 2, note 2.

⁴ See No. 64.

⁵ In an undated minute, written before June 28, Lord Cecil stated: 'As I understand the position the decision does not deal with the question of what armaments can be limited but with the meaning of the word armaments in itself. As such it does not seem to me objectionable. It must be remembered that the position of the French is no longer what we thought it was last December. They do not now contend if they ever did that the potential

military resources of a country can be limited. They now say on the contrary that only the peace time armaments are limitable. We—and the Belgians—have contended that the mobilisable armaments may also be limited. In other words all are agreed that the armaments referred to in the first paragraph of this definition can & ought to be limited & that the armaments referred to in the third paragraph cannot. There is a dispute whether the armaments referred to in the second paragraph can or cannot be limited. In these circumstances the division into three paragraphs is not unreasonable. On the other hand the French contend that the total potential strength of a country may have a bearing on the amount of peace time armaments permitted to her. We have not denied this outright but we have expressed doubts & in any case have rejected the idea of examining this potential strength as impracticable. Hence the note as to the meaning of “resources”. R. C.’

No. 67

Sir A. Chamberlain to Viscount Chilston (Vienna)

No. 261 [C 6371/246/3]

FOREIGN OFFICE, *June 22, 1926*

My Lord,

Since receipt of your despatches Nos. 91¹ and 151² of the 31st March and 2nd June respectively on the subject of the possibility of a customs union between Austria and Germany, I have taken the opportunity to consider in what way British interests would be affected by such a measure, and to what extent it would run counter to Austrian treaty obligations.

2. Copy of correspondence with the Treasury and the Board of Trade on the subject is enclosed herewith,³ and may be summarised as follows:—

3. A customs union with Germany would, as shown by the Board of Trade, have the effect of jeopardising the greater part of our export trade to Austria, and of reducing slightly our exports to Germany. These concrete disadvantages appear entirely to outweigh the consideration that such a customs union would, by giving Austria a wider market for her goods, tend to strengthen the position of Austria as an economically solvent State, and thereby benefit generally British commercial interests which require stability in Central Europe.

4. As regards the legality of such a customs union, while there is no provision in our commercial treaties either with Germany or Austria⁴ to prevent it, it would certainly be held to amount to an ‘economic engagement calculated to compromise the independence of Austria,’ and would therefore be incompatible with the terms of protocol I signed (amongst others by Austria herself) at Geneva on the 4th October, 1922, in connection with the Austrian reconstruction scheme. This protocol, as you are aware, remains in force notwithstanding the recent decision of the League of Nations to terminate direct control over Austrian finance.

5. It may, I think, be safely assumed that the other Powers, signatory of

¹ See Volume I, No. 390.

² No. 43.

³ Not printed.

⁴ This Anglo-Austrian treaty of May 22, 1924, is printed in *British and Foreign State Papers*, vol. 119, pp. 328–37.

this protocol, would take full advantage of its stipulations to veto a customs union, which they would, quite apart from economic considerations, oppose as being the first step towards a political union.

I am, &c.,

(For the Secretary of State)

MILES W. LAMPSON

No. 68

Memorandum by Sir A. Chamberlain on Compulsory Arbitration

[W 6559/30/98]*

FOREIGN OFFICE, June 24, 1926

I circulate to my colleagues papers on the subject of compulsory arbitration of international disputes.

The Geneva Protocol of 1924 (which contained a provision for the acceptance of the compulsory jurisdiction of the Permanent Court of International Justice at The Hague over all legal disputes) and the Locarno treaties (which provided for the compulsory submission to pacific settlement* of all disputes between Germany and her neighbours on the west and on the east) have stimulated interest in this question, and during the last two years I have received formal or informal proposals for the conclusion of comprehensive arbitration treaties from Sweden, Switzerland, the Netherlands, Spain, Latvia and Denmark.

Since the present Government came into office, the line I have taken in answer to private enquirers and have instructed British representatives to take at Geneva, has been that compulsory arbitration is a subject on which no move can be made by His Majesty's Government without the concurrence of the Dominions. In a paper written in 1924 (Paper (A)¹) the Lord Chancellor (Lord Haldane) laid stress upon the consideration that the Constitution of the Empire was not unitary and that it was perilous for the Imperial Government to proceed as if it were. Answers to recent invitations from foreign States to conclude arbitration treaties have been to the effect that no such step could be taken until the question had been fully considered in consultation with the Dominions.

The subject will come up for discussion at the Imperial Conference in October.

As the subject is one on which the policy of His Majesty's Government must be defined, I instructed the members of the legal staff of the Foreign Office to prepare a considered memorandum on the question whether any acceptance of the principle of compulsory arbitration would be advisable.

Paper (B) contains the views of the four Legal Advisers of the Foreign Office. They are in favour of accepting the compulsory jurisdiction of the Permanent

¹ Not printed. See *Parl. Debts., 5th ser., H. of C.*, vol. 210, cols. 2107-8, for the citation of extracts from this paper by Sir A. Chamberlain on November 24, 1927.

Court at The Hague in disputes of a legal character other than those arising out of belligerent action at sea, and excluding also all disputes arising out of past events. They also urge the conclusion of agreements for the compulsory reference to some simple form of arbitration of petty claims on behalf of private individuals in which no question of principle is at stake.

Any advance in the direction of compulsory arbitration, even within the restricted limits proposed in Paper (B), requires careful consideration, and to illustrate the objections which may be urged against it, I annex an extract from a paper written in 1924 by the late Sir Eyre Crowe² (Paper (C)³).

No recent pronouncements have been made by Dominion Governments on the subject of compulsory arbitration. Paper (D), which has been supplied by the Dominions Office, indicates the views of the Dominion Governments so far as they are known, but the views expressed by their representatives at Geneva in 1925 make me think that Canada, South Africa and the Irish Free State will be in favour of accepting the compulsory jurisdiction of the Permanent Court on legal disputes.⁴

I submit that the whole question ought to be carefully considered by a Cabinet or C[ommittee of] I[mperial] D[efence] Committee, which should prepare the proposals and papers to be laid before the Imperial Conference.

A. C.

ANNEX TO No. 68

PAPER (B)

Memorandum by the Legal Advisers of the Foreign Office respecting Compulsory Arbitration

March 4, 1926

This memorandum deals solely with the advantages and disadvantages from the legal point of view of an acceptance by His Majesty's Government of the principle of compulsory arbitration of international disputes. Considerations of a political nature, such as the difficulty of encouraging other States to accept obligations which His Majesty's Government are themselves not prepared to accept, lie outside its scope.

2. Proposals have been received by the Secretary of State for Foreign Affairs from various foreign Powers for the conclusion of a comprehensive arbitration treaty. Arbitration as a substitute for war is a matter in which it is important that the Empire should have a common policy, but it is clear that

² Permanent Under Secretary of State for Foreign Affairs, November 1920 to April 1925.

³ Not printed.

⁴ This paper, dated March 2, 1926, is not printed. It showed that in 1925 the Governments of Australia and New Zealand appeared to be opposed to the acceptance of compulsory arbitration by His Majesty's Government. Earlier views of the other Dominion Governments were cited. On July 7 Lord Birkenhead stated in an additional memorandum that the Government of India had, in September 1924, expressed views on the need for caution in accepting compulsory arbitration with particular reference to India's long frontier with China, on whom it would be difficult, if not impossible, to enforce any decree of the Permanent Court, for instance in connexion with China's claim to suzerainty over Tibet.

at present the Dominion Governments are not unanimous on the subject, and the Foreign Office have therefore asked that the question should be included in the agenda of the Imperial Conference. This will necessitate the consideration of the question by His Majesty's Government and the adoption of a definite policy.

3. Under the Covenant, His Majesty's Government, as a member of the League, are committed to the view that, *in principle*, legal disputes should go to arbitration, and where such a dispute is likely to lead to a rupture they are bound, if it is not submitted to arbitration, to submit to enquiry by the Council.

Under arbitration conventions concluded with most of the important Powers, His Majesty's Government are bound to refer to arbitration disputes of a legal nature and those relating to the interpretation of treaties, except disputes which affect the honour, vital interests or independence of one of the parties, or affect the interests of third Powers.

In addition, His Majesty's Government have, in various instruments, accepted an obligation to submit to arbitration (usually to the Permanent Court of International Justice) disputes relating to the interpretation or application of the particular instrument.

4. Though the above commitments cover a large part of the field, they leave considerable gaps. The obligation to arbitrate under the Covenant leaves each state entitled to decide for itself whether it recognizes the particular case as being suitable for arbitration. Similarly, under the arbitration conventions, a State is left to decide for itself whether a dispute affects its vital interests, &c., and a dispute of which the arbitration would be inconvenient can always be found to fulfil that qualification. In practice, and excluding cases such as those covered by the last sentence of paragraph 3, international arbitrations only take place in cases where both parties willingly consent to the submission.

5. The result of a refusal on the part of either party to a serious dispute to submit it to arbitration is, if they are members of the League, that the case will come before the Council.

Disputes are of two kinds, those where the point at issue is a question which can be solved by the application of a rule of law, i.e., justiciable cases—those which are described in the Treaty of Locarno as 'cases where the parties are in conflict as to their respective rights'—and cases which arise out of a clash of political interests or domestic interests, i.e., cases which are non-justiciable and which it is useless to submit to a tribunal if it is desired that the result of the submission shall be a solution of the question at issue.

Enquiry by the Council of the League is a satisfactory method of handling disputes of the non-justiciable order; it is not satisfactory as a mode of handling those which are justiciable. The Council is a political body, and it is as ill-qualified to decide a case which should be brought before a bench of judges as a tribunal of judges is ill-qualified to deal with a political question. For the Council to find itself obliged to deal with cases which ought to go before a bench of judges naturally induces the feeling that the Council must

receive legal guidance as to the conclusion at which it should arrive and should seek the opinion of the Permanent Court of International Justice by asking for an advisory opinion. The knowledge that such an advisory opinion is likely to be invited by the Council leads a State involved in a dispute which the other party declines to arbitrate to allege that it is one which is likely to lead to a rupture, and, as such, one which it is entitled to bring before the Council. This is not a satisfactory application of the provisions of the Covenant, and though His Majesty's Government themselves found it useful to adopt this course in the Tunis nationality dispute with France,⁵ it will tend, if it increases, to embarrass the Council and to complicate the working of the Covenant.

6. The resort by the Council to the court for an advisory opinion might with advantage be limited to cases where some legal point emerges in the course of a dispute of which the nature is such as to render the Council a suitable body for handling it. Many disputes in practice involve mixed considerations of politics and law, and in these cases reference to the Council is the appropriate procedure, but these mixed cases cannot reasonably be said to be justiciable.

7. As regards non-justiciable disputes, there is at present no ground for maintaining that, for serious cases, anything further is wanted in the case of this country than the existing machinery of the Covenant, nor is there at present any reason to believe that for disputes which are not sufficiently serious to be brought before the Council any special machinery need be set up by treaty. Much attention has been devoted during the last few years to schemes for promoting conciliation commissions, and some such commissions have already been instituted, e.g., those under the Bryan treaties⁶ concluded by the United States Government with many other Powers, including Great Britain. Despite the amount of machinery in the form of conciliation commissions set up for investigating non-justiciable disputes, no instance is yet on record of such machinery being made use of.

8. It is in respect of justiciable disputes that the case for an advance is sufficiently strong to merit exploration. The great argument which is always relied on by those who oppose any acceptance of the principles of compulsory arbitration is the danger that would result to this country from an obligation to submit to the decision of an international tribunal the validity of measures taken by the British naval forces in time of war. Some ground exists for thinking that this danger would not now be so great as in the past, but there can be no doubt that the acceptance of any obligation to arbitrate such disputes would provoke great alarm in the country and would lead to an

⁵ For the resolution passed by the Council in October 1922 regarding the submission to the Permanent Court of International Justice of the dispute between France and Great Britain concerning the Nationality Decrees issued in Tunisia and the French zone of Morocco in November 1921 see *League of Nations Official Journal*, November 1922, pp. 1206-7 and 1209. For the notes of May 24, 1923, exchanged between the two governments, agreeing to discontinue the case before the Court, see Cmd. 1899 of 1923.

⁶ For these treaties negotiated by Mr. W. J. Bryan, American Secretary of State 1913-15, see *Treaties for the Advancement of Peace* (Carnegie Endowment, New York, 1920).

agitation which it is desirable to avoid. It is also the point upon which it would be most difficult to harmonise the views of the various Governments within the Empire, as, apart from the attitude adopted by His Majesty's Government in the past on this subject, both Australia and New Zealand have indicated the greatest objection to the acceptance of the principle of arbitration in such disputes.

9. The difficulty as regards disputes arising out of naval belligerent action could be avoided by resorting to the power given by what is known as the 'optional clause' in the Statute of the Permanent Court of International Justice,⁷ to accept as compulsory the jurisdiction of the court only within certain stated limits.

Justiciable disputes, to the arbitration of which all members of the League are in principle committed, are defined by the Covenant as being those which relate to the interpretation of a treaty or to any question of international law or to the existence of any fact which, if established, would constitute a breach of any international obligation or to the extent and nature of the reparation to be made for any such breach. This same classification is repeated in article 36 of the Statute of the Court, and the scheme of that article is to allow members of the League to accept the jurisdiction as obligatory in all or any of these classes of disputes. At the time of the discussions on the Geneva Protocol, all those who were participating in the discussions agreed that it was open to the members of the League to accept the compulsory jurisdiction of the court in respect of certain of the classes mentioned and not to accept it in respect of the rest, or to accept it in respect of a portion of one of those classes. The report which accompanied the protocol contains passages to the same effect, and it was agreed at the time that it was open to His Majesty's Government, if they accepted the jurisdiction of the Permanent Court as compulsory, to exclude from their undertaking all disputes arising out of naval measures at sea in time of war. The way is now open, therefore, for an acceptance of the principle of compulsory arbitration in general, with the exclusion of the class of cases which His Majesty's Government cannot agree to submit to an international tribunal.

10. The other arguments which have in the past been put forward against any acceptance of the principle of compulsory arbitration are of less weight. Two only need be mentioned; one is that no sufficient confidence can be felt in an international tribunal unless His Majesty's Government have been parties to the selection of at least a majority of the members; the second is that in a really important case it might be impossible for His Majesty's Government to give effect to an adverse award.

11. These objections do not appear to be sufficient to outweigh the advantages which would accrue from being able to obtain as of right arbitration of disputes with other Powers where it is His Majesty's Government who desire to secure arbitration and where the objection to arbitration comes from the other side.

⁷ See article 36 of this Statute of December 16, 1920, printed in *British and Foreign State Papers*, vol. 114, pp. 862-72.

12. If some advance is decided on in the direction of compulsory arbitration, the necessity of excluding any obligation to arbitrate disputes relating to belligerent measures at sea affords a strong argument in favour of making such advance by way of a limited acceptance of article 36 of the Statute of the Court and not by way of negotiating a new treaty. A limited acceptance of article 36 is a step which can be taken by His Majesty's Government as of right without obtaining the consent of other Powers. The negotiation of a treaty containing similar exceptions would entail negotiations with foreign Powers and might entail bargaining in order to obtain their consent.

13. The limitations which it would be necessary to introduce in any acceptance of the compulsory jurisdiction of the court would not be restricted to disputes arising out of naval belligerent operations. The undertaking to accept the jurisdiction of the court should be based on reciprocity, should be limited to disputes arising out of events taking place after the date of the declaration, and should also endure only for a definite period of time so that at intervals the obligation could be reconsidered by His Majesty's Government.

14. A question which is likely to be raised during the discussion of a proposal to accept the compulsory jurisdiction of the Court is whether this would involve a possibility of our being compelled to arbitrate the legality of the system of Imperial preference which now obtains as between the different Governments of the Empire. There have been signs recently that other countries who are entitled to most-favoured-nation treatment under their treaties with us are inclined to dispute the legality of the system in view of the new status of the self-governing dominions, and action which is likely to increase the possibility of our having to arbitrate the point may well cause alarm in certain quarters, though it can hardly be denied that a country which has got an arbitration clause in its commercial treaty with us would be entitled to have the point submitted to arbitration as things stand. The question whether any limitation to safeguard our position in this respect is possible and desirable would have to be discussed with the dominions. The risk would to some extent be diminished if the British acceptance of the compulsory jurisdiction of the Court, subject to the limitations suggested, were effected by one instrument on behalf of the whole Empire, so that the seven Governments of the Empire can in this matter contract as one. It is recommended that this method of procedure should in any event be adopted.

15. Any acceptance of the jurisdiction of the Permanent Court as obligatory for disputes will render it desirable to conclude some separate arrangement relating to petty claims put forward on behalf of the nationals of one State against the other. The Permanent Court of International Justice is a court of eleven judges, the business of which is conducted in accordance with a procedure which has been framed with a view to securing adequate handling of important disputes between States. Relations between States are at present incommoded from time to time by petty claims for compensation on behalf of private persons who have been the victims of some improper action on the part of the authorities of another State. These claims require

simpler and more expeditious treatment than is afforded by the cumbrous machinery of reference to the Permanent Court.

16. At present the difficulty of securing arbitration for these pecuniary claims is considerable. No Government likes to admit that its officials can have blundered, and, therefore, any such claim is unwelcome and considerable ingenuity is displayed in advancing reasons why the claim is bad and also why it is unsuitable for arbitration. Before arbitration can be secured, wearisome and irritating negotiations are usually necessary.

17. There is no statute of limitations as between States, and consequently in practice many pecuniary claims are now only submitted to arbitration when they have become hopelessly stale and when such arbitration is agreed to by the respondent Government only because it has other claims of its own for which it desires this form of settlement, or because for political reasons it finds it expedient to consent.

As an instance of the intolerable delay which under present practice usually accompanies the arbitration of such pecuniary claims, it is well to quote the following from a paper written a year ago on the work of the Pecuniary Claims Commission which is dealing with the outstanding claims between this country and the United States:—

‘This commission has up till now decided thirty-four claims. Of these only three were less than ten years old by the time the tribunal gave its decision, the age of the claim being reckoned for this purpose from the occurrence out of which it arose. Of these three, one was seven years old, another was eight, and the third was just under ten. Of the remaining thirty-one claims, the age of twelve claims was between eleven years and twenty; of eleven claims, between twenty years and thirty; of three, between thirty and forty; of four, between forty and fifty and one was over a hundred, having arisen in 1812 and been decided in 1914.

‘It is much the same with the claims which are still awaiting decision. One claim arose in 1812; another in 1845. A group of thirteen claims, for a refund of customs duties, arose in 1876; another group in 1895; another group in 1898. With the exception of a group of claims against the Newfoundland Government on behalf of American fishing vessels for refund of customs and light dues and for seizure of vessels for violation of Newfoundland fishing statutes, it is difficult to find a single claim still awaiting adjudication which is not earlier in origin than the present century.’

18. Apart from the injustice of keeping individuals waiting so long for the settlement of claims where such claims are good, the interests of the respondent State are not served by a system under which it is open to it to refuse arbitration for so long as it pleases, but where nevertheless circumstances may sooner or later oblige it to agree. The only result is that when the claim does come up for arbitration the collection of the necessary evidence to rebut it is rendered far more difficult and the tribunal is frequently prejudiced by the continued efforts to avoid arbitration.

For all these petty claims some system of compulsory arbitration would be

an advantage, but such claims should be submitted to a tribunal composed of a small number of judges and working under a procedure which is simple and inexpensive.

19. The need of a wider acceptance of the principle of arbitrating such claims has been felt for a long time, and nearly resulted in 1907 in the conclusion of an agreement on the subject at the Second Peace Conference at The Hague. What was there proposed would have involved the compulsory arbitration of claims arising out of allegations of fact, which, if established, are admitted to involve international liability. A limitation of this sort is necessary if the submission to arbitration is to be obligatory, because otherwise a pecuniary claim might involve some principle of international law of great importance to the respondent State. As an instance it is only necessary to cite the American blockade claims with which His Majesty's Government may possibly be faced.⁸

20. An agreement to arbitrate pecuniary claims involving no large question of principle would be desirable before the compulsory jurisdiction of the Permanent Court is accepted. The details of such an agreement would not be difficult to formulate, and would enable the rule to be introduced as between States that a claim should be barred if not presented for arbitration within a fixed period of time. Claims which, when presented, were found by the respondent Government to involve a question of principle on which there was no agreement as to whether international liability was involved might go before the Permanent Court unless they fell within the categories of cases excluded from the acceptance of the compulsory jurisdiction. If they did, they would not be arbitrated, nor would they be barred by the mere lapse of time. They would remain in existence, as claims do now, until such time as a solution could be found.⁹

⁸ See Chapter V.

⁹ At the Imperial Conference in October–November 1926 'a general understanding was reached that none of the Governments represented at the Imperial Conference would take any action in the direction of the acceptance of the compulsory jurisdiction of the Permanent Court, without bringing up the matter for further discussion': see Cmd. 2768 of 1926, p. 28.

No. 69

Mr. O'Reilly¹ (Durazzo) to Sir A. Chamberlain

(Received June 25, 6.15 p.m.)

No. 18 Telegraphic [C 7199/391/90]

DURAZZO, June 25, 1926, 2.10 p.m.

Mr. Eyres' despatch No. 193 of 1295.²

President of the Republic³ told me this morning that Italian Minister⁴ yesterday brought telegram from Signor Mussolini instructing him to demand that President should immediately subscribe to declaration of Ambassadors'

¹ H.M. Minister at Durazzo in succession to Sir H. Eyres.

² See Volume I, No. 165.

³ Ahmed Zogu Bey.

⁴ Baron Aloisi.

Conference of November 9th 1921⁵ respecting possible Italian intervention in this country. Telegram instructed him to say that if President agreed Italian government would provide money, arms, and every possible assistance but if he refused he was instructed to break off relations and leave immediately.⁶

After reading telegram Italian Minister added that Italian government could arrange incursion from Yugoslavia which would justify their landing forces (this agrees with President's own information that Albanian . . .⁷ Italy have been given money and arms).

President proposes following action: (a) Invite Italian Minister to confirm his communication in writing in some form. (b) Instruct Albanian Legation at Rome to express surprise and to invite confirmation. (c) Inform all Albanian Legations with special instructions to London and Paris. (d) Inform French and Serb-Croat-Slovene Ministers here. (e) Station detachment at Valona to oppose Ali [*sic*]⁸ in case of landing.

Italian Minister only returned a few days ago from a prolonged visit to Rome and one of his secretaries has stated that he expects to leave again almost immediately. He is going to call on President to-day for a final answer.

Addressed to Foreign Office No. 18. Repeated to Rome No. 3, Paris, Belgrade and Athens Nos. 1.

⁵ See *League of Nations Treaty Series*, vol. xii, p. 383.

⁶ See *I Documenti Diplomatici Italiani*, Settima Serie, vol. iv, pp. 252-4.

⁷ The text is here uncertain but should probably read 'Albanian exiles in Italy'.

⁸ The reference should probably be to Italian forces.

No. 70

Mr. Phipps (Paris) to Sir A. Chamberlain (Received June 26, 8.30 a.m.)

No. 248 Telegraphic: by bag [C 7169/96/3]

PARIS, June 25, 1926

Following is text of note from Ambassadors' Conference to Austrian Minister in Paris respecting military disarmament of Austria. Begins:—

1. Les Gouvernements alliés ont examiné avec la plus grande attention la réponse que le Gouvernement autrichien leur a fait remettre le 12 Février 1926 au sujet des redressements qui avaient fait l'objet de leur Note collective du 18 août 1925.¹

2. Tout en prenant acte du règlement de la plupart des questions relatives à la livraison du matériel en excédent, ils regrettent d'avoir à constater:

que les autorités militaires autrichiennes continuent à résister aux visites de contrôle:

et que, parmi d'autres questions qui restent toujours à régler, les deux questions capitales du *désarmement industriel et de l'activité militaires des associations politico-sportives* n'ont pas fait l'objet de réponses satisfaisantes du Gouvernement autrichien.

¹ For these notes see Volume I, No. 457, note 1.

3. Les Gouvernements alliés ne peuvent pas admettre que les questions diverses non encore réglées restent indéfiniment en suspens. Dans le but d'aboutir avec le moins de délai possible, ils invitent le Gouvernement autrichien à envoyer à Paris des représentants pleinement qualifiés chargés d'examiner avec la Conférence des Ambassadeurs toutes les difficultés dont la solution permettra la retraite de l'Organe de Liquidation. Si le Gouvernement autrichien n'y voit pas d'objection, la première réunion des délégués pourrait avoir lieu à Paris le 5 juillet. Ends.

Addressed to Foreign Office No. 248, repeated to Vienna in cypher.

No. 71

Sir R. Hodgson (Moscow) to Sir A. Chamberlain (Received July 12)

No. 451 [N 3232/387/38]

MOSCOW, June 26, 1926

Sir,

I have the honour to transmit herewith a memorandum¹ of a conversation between M. Chicherin and Colonel Mackie—a Canadian whose name is known to you²—in the course of a dinner to which M. Chicherin invited the Colonel a few evenings ago. The dinner was à deux and, as M. Chicherin's observations were undoubtedly intended to be passed on to me, I am communicating them to you although they in themselves contain nothing that is essentially novel.

2. Colonel Mackie was particularly struck by the apprehensiveness which Chicherin betrayed regarding the possibility of Great Britain breaking off relations with the Soviet Government. He dwelt at great length upon the disadvantages to both countries which would ensue and was, as Col. Mackie tells me, almost pathetic in his expressions of hope that the present tension would not culminate in a rupture.

3. When on the subject of the despatch of funds to England at the time of the General Strike M. Chicherin did not seek to justify the action of the Commissariat for Finance in permitting the transfers but confined himself to repeating what was the essence of the Soviet reply³ to the British Memorandum—that the Soviet Government 'as long as the Communist Party is in power' could not do otherwise than it did. He made no attempt to argue that the procedure was correct.

4. The insistence with which M. Chicherin reverted to Chinese affairs drew Colonel Mackie's attention, but this is not the first time that M. Chicherin has given a vague intimation of his desire to come to an understanding with Great Britain regarding sources of conflict in Asia.

I have, &c.,

R. M. HODGSON

¹ Not printed. The main points made by M. Chicherin, Soviet People's Commissar for Foreign Affairs, are indicated below.

² Cf. Volume I, No. 481.

³ See No. 60.

No. 72

Mr. O'Reilly (Durazzo) to Sir A. Chamberlain (Received June 28, 9 a.m.)
No. 20 Telegraphic [Telegrams 45]

DURAZZO, June 27, 1926, 11.30 p.m.

My immediately preceding telegram.¹

After Cabinet meeting yesterday President of the Republic informed the Italian Minister that his demand could not be complied with, but suggested further discussion at a later date. This the Minister definitely rejected and said that he must go to Rome to report personally. He could not say whether he would return. He left late last night on a gunboat.

Repeated to Rome, No. 5; and Paris, Athens, and Belgrade, No. 3.

¹ Not printed. This telegram referred to No. 69.

No. 73

Sir A. Chamberlain to Sir R. Graham¹ (Rome)
No. 176 Telegraphic [C 7200/391/90]

FOREIGN OFFICE, June 28, 1926, 7 p.m.

Mr. O'Reilly's telegrams Nos. 18,² 19³ and 20.⁴

I cannot avoid a suspicion that either Achmet is misquoting Italian Minister or that the latter is acting ahead of his instructions and authority. It seems to me *prima facie* inconceivable that M. Mussolini should be deliberately risking provoking a first-class Balkan crisis, for reported action would be little less than that.

Please see His Excellency at once personally and endeavour to ascertain what is at the bottom of all this. If allegations prove true—which I hope is unlikely—then you should point out to him from me, speaking in all earnestness as a friend of Italy and as a personal friend and admirer of his—that the results of his action may well have most serious results.

After all the declaration by the Ambassadors' Conference of November 9th, 1921, turns throughout upon an appeal to the Council of the League consequent upon Albania's integrity being threatened. If then it is *really* essential to raise this question at all (which personally I strongly deprecate, for to start the Albanian question afresh is to stir up a veritable hornet's nest), surely the proper channel is an appeal to the Council to take the matter in hand if the circumstances justify action.

Confidential. Please add any arguments that may suggest themselves to you. I am genuinely appalled at the prospective result of an Albanian crisis: for months past I have been nervous lest some rash act should fire the train and I know the Yugoslav government are on the look-out for Italian aggression

¹ H.M. Ambassador at Rome.

² No. 69.

³ Not printed.

⁴ No. 72.

against Albanian integrity and constantly excite French suspicions of Italian policy which I have done my best to dispel. I cannot believe that M. Mussolini by a precipitate act will incur this terrible responsibility.

Addressed to Rome No. 176: repeated to Paris No. 164 (by bag), Durazzo No. 17, Belgrade No. 34, Athens No. 89, Sofia No. 30 and Bucharest No. 35.

No. 74

Mr. Phipps (Paris) to Sir A. Chamberlain (Received June 29)

No. 1195 [C 7305/1618/62]

PARIS, June 28, 1926

Sir,

With reference to the Marquess of Crewe's despatches Nos. 974 and 1048¹ of May 27th and June 4th reporting recent developments in Franco-German relations and in the French attitude to general disarmament, I propose in this despatch to record my impressions of recent developments of French policy in Central Europe.

2. In French relations with the Central European countries, as in the relations of France with Germany, the Locarno treaties have during the last 6 months been the dominating factor. The criticism perhaps most frequently developed against Locarno in France has been its effect on French policy in Central Europe. It is said that by providing France with the British and Italian guarantees it has tied her hands as regards the possibility of any initiative to anticipate an 'Anschluss' movement in Austria, or a Hapsburg restoration, or a revolt against the treaties in Hungary. It is stated to have left Italy her freedom of action in such contingencies. It is thus claimed to have substituted Italy for France as the first of the Great Powers in Central Europe. It is probable that this criticism has found its protagonists beyond the French frontiers. The fear that it may become indicative of a large body of feeling in Poland and in the Little Entente countries² and the determination, by the maintenance of a vigorous policy, to prevent the spread of such a feeling are perhaps together at the root of Franco-Italian rivalry in Central Europe.

3. France was opposed to the 'Anschluss' and Hungarian schemes of restoration and irridentism [*sic*] before Locarno. Locarno did not weaken her opposition. The first in point of time of the three important developments in French policy in Central Europe during the present year affords clear proof of this fact. The discovery of the franc forgeries in Hungary in December 1925 was represented in France as evidence not only of a scheme to restore the Hapsburgs. The forgeries were claimed as proof of the existence of a

¹ Nos. 25 and 47 respectively.

² i.e. Czechoslovakia, Roumania and the Serb-Croat-Slovene State: cf. the Czechoslovak-Roumanian, Czechoslovak-Yugoslav and Roumanian-Yugoslav treaties of April 23, 1921, August 14, 1920, and June 7, 1921, respectively, printed in *British and Foreign State Papers*, vol. 114, pp. 695-6 and 696-7, and vol. 123, pp. 1046-7.

design in certain circles to embarrass France herself, the guiding pivot of the enemies of Hungary. The French Government, therefore, stood all through the spring not only for the most complete enquiry into the scandals with a view to the punishment of the offenders. It insisted also—most probably with Little Entente approval—on the refusal up to the last possible moment of any concession likely to give satisfaction, and therefore also stability to the existing rulers of Hungary. Thus the removal of the financial control of Hungary by the League of Nations was long resisted. Thus in the sphere of military control all concession has so far been refused in the matter of the Single State Factory. The French Government did not want to be agreeable to the Hungarian Government because it was a Government which it did not desire should endure. It did not want to be agreeable to the Hungarian Government because it wished to prove to the three Little Entente countries the important part which France, despite Locarno, could still play in Central Europe.

4. The second important event in the development of French policy in Central Europe during the last 6 months has been the attempt to reinforce the Franco-Polish and Franco-Czechoslovak political treaties of February 19th, 1921 and January 25th, 1924,³ by somewhat similar treaties with Roumania and Yugo-Slavia. Negotiations, which, it is reported, had been actively pursued with a view to the conclusion of such a treaty between France and Roumania during the latter half of 1925, were duplicated during the spring of 1926 by similar negotiations between France and Yugoslavia. In the prosecution of the negotiations with the latter country at least, increasing French jealousy of Italy appears to have been the dominating factor. The fear was almost certainly present in the minds of French politicians that the Italo-Yugo-Slav Pact of Rome of January 1924⁴ was about to be extended in a manner dangerous to French interests. Italy appears in fact to have been negotiating with both Roumania and Yugoslavia and in the case of each country her demand for the immediate conclusion of agreements seems to have checked the French conversations. Recent information respecting the Franco-Roumanian negotiation is lacking. But after the imposition by Monsieur Mussolini in March of at least a temporary veto on any tripartite Franco-Yugoslav-Italian treaty, the Franco-Yugoslav negotiations do not appear to have made much progress. The latest information available in Paris (June 4th) is that the conclusion of the Franco-Yugoslav Treaty, which was stated to have been on the point of signature on March 19th, is now indefinitely postponed. Taking into account the increased suspicion entertained by France of Italian designs in Central Europe since Locarno, it would be surprising if it were abandoned.

5. The third important event affecting French policy in Central Europe during the present year has been the Polish coup d'état in May. It seems fairly clear that the French Government regarded this event almost entirely from the external standpoint, that is to say, from the standpoint of the stabil-

³ These treaties are printed *op. cit.*, vol. 118, pp. 342-3, and vol. 120, pp. 181-3, respectively.

⁴ *V. op. cit.*, vol. 120, pp. 683-4.

ity of Poland vis-à-vis of her two great neighbours. France's chief interest was to see tranquillity restored and a stable régime established. What that régime was was not of cardinal interest to her.

6. In conclusion it may perhaps be said that, so far as Central Europe is concerned, the benefits bestowed upon France by Locarno—the German-Polish and German-Czechoslovak treaties of arbitration—are apt to be forgotten in the increased j[e]alousy of Italy, which Locarno has inspired in French minds. Yet there would seem to be no reason why France should, so far as Central Europe is concerned, oppose the extension of Locarno, which has already been mooted in London. Arbitration treaties between Hungary and her neighbours should not be disagreeable to France. But arbitration treaties alone would not solve the difficulties between France and Italy in Central Europe. Nor is it easy to see how the triple or dual guarantee pacts recently attempted would ease the situation. These pacts were designed against third and fourth parties. Between France and Italy in Central Europe it is not the danger of direct attack that is immediately involved; it is a question at the moment rather of an indirect struggle, of a desire to be deemed the protector, and of a rivalry for the support of the Little Entente. I imagine that it will be largely in the light of this fact that a solution will be sought.

I have, &c.,
ERIC PHIPPS

No. 75

Sir R. Graham (Rome) to Sir A. Chamberlain (Received July 1, 9 a.m.)

No. 155 Telegraphic [C 7400/391/90]

ROME, June 30, 1926, 9 p.m.

Durazzo telegram No. 18¹ and your telegram No. 176.²

Mussolini declared the whole story was an absurd exaggeration and that the last thing he desired was to raise Albanian question in any form. But he had for some time past been offering Ahmed Zogu a pact of friendship including an arbitration clause on lines of those concluded with Jugo-Slavia and Czechoslovakia.³ He was however unwilling to make such a pact unless it contained some reference to declaration of Ambassadors' Conference of 1921 which would, if not so included obviously lose its force. To this Ahmed Zogu had not agreed. But there was absolutely no question of ultimatum and if Italian Minister had hinted at anything of the kind or use of [*sic* ? used] other language attributed to him, which His Excellency could not believe he had grossly exceeded his instructions. Minister was now in Rome and

¹ No. 69.

² No. 73.

³ The reference was presumably to Italy's treaties of January 27, 1924, with the Serb-Croat-Slovene State (see No. 74, note 4) and of July 5, 1924, with Czechoslovakia (printed *op. cit.*, vol. 120, pp. 209-10) though neither of the treaties contained a clause relating to arbitration.

facts would be heard. If pact could be concluded so much the better, if not, relations with Albania would continue exactly as before. Italian Government had already assisted Ahmed Zogu with arms, clothing and supplies and in various other ways, and only yesterday a fresh agreement regarding rails and timber had been signed. Italian interests in Albania were economic and there [these] had lately been developed to an extent which precluded any quarrel between the two countries. He [*sic*] Excellency begged me to give you fullest reassurances on the subject. He added warm appreciation of terms of your recent speech⁴ and personal reference to himself.

I thought it advisable to quote your message to him and strongly deprecated any action which might raise Albanian question at this moment. I added that immediate danger seemed to be in effect that incident would produce at Belgrade where it must arouse suspicion and resentment.

Mussolini replied that he did not believe so, as he was on excellent terms with Monsieur Nintchich⁵ who knew of proposed pact. His Excellency promised however to telegraph at once to Italian Minister at Belgrade to offer reassuring explanations.

Addressed to Foreign Office No. 155, June 30th, repeated to Belgrade and Durazzo.

⁴ See *The Times* of June 29, 1926, p. 18, for a report on Sir A. Chamberlain's speech at a dinner in London on the previous evening.

⁵ Serb-Croat-Slovene Minister for Foreign Affairs.

No. 76

Sir A. Chamberlain to Mr. Phipps (Paris)

No. 1900 [C 7340/436/18]

FOREIGN OFFICE, *July 1, 1926*

Sir,

I have received your telegram No. 238 of the 21st June recording a discussion with Monsieur Massigli relative to the draft reply to the German Government's request for an increase in the number of police,¹ and the matter has again been carefully and fully gone into in the light of the recommendation² contained in the eighth paragraph of your telegram.

¹ Not printed. The main point at issue between H.M. and the French Governments in connexion with the draft note on German police (see enclosure in No. 42) was the French objection to the phrase 'dans les circonstances actuelles' (see *ibid.*, note 5). Mr. Phipps reported in his telegram No. 238 that M. Massigli had explained that the French Government considered that the insertion of this phrase 'would inevitably mean that Germans would not consider note to be final and would continue to refuse to proceed with police reorganisation pending a concession respecting numbers. Both General Clive and I are impressed by this argument. . . . Nor was French Government prepared to reopen question of 5,000 men. Its point of view, as you were informed in my despatch No. 632 of April 7th [see Volume I, No. 402], is based on political considerations. A further concession on this point will be followed by a German demand for yet other concessions.'

² See paragraph 3 below.

2. You will recollect that my inclination has been throughout in favour of granting the German Government what they ask, and that in this I have been supported by both the War Office and General Wauchope.³ When, even after a personal appeal to Monsieur Briand, it proved impossible to induce the French Government to agree with this view, I instructed Lord Crewe in my despatch No. 1230⁴ of the 22nd April to endeavour to shelve indefinitely a decision by the Ambassadors' Conference. There seemed the less objection to that course seeing that there was no immediate prospect of control in Germany being wound up. Events, however, worked out otherwise, for in the first place the German Chargé d'Affaires in Paris pressed for a reply to the German note of March 5th,⁵ and secondly a report was received from the Commission of Control showing that the holding up of the question was delaying further progress in control. In these circumstances, and on the verbal representations both of the War Office and of General Clive, who was at that moment in London, His Majesty's Government somewhat reluctantly agreed to the Conference rejecting the German request, on the distinct understanding that the note were so worded as not to bolt the door absolutely should conditions subsequently justify a change of attitude.⁶

3. The Quai d'Orsay at this stage produced a draft note to the German Ambassador which it has since been our endeavour to get modified so as to meet our views. Your discussions with the French Government, however, appear to have had little effect and the issue now lies between (1) accepting the French draft but safeguarding our point by a declaration to be recorded in the minutes of the Conference—a course which you are inclined to recommend—and (2) holding to our views and so risking a deadlock.

4. After full consideration I am not prepared to give way further. We have already gone a long way to meet the French on this point, with the only result that they press us the more. If we do give way, we stand a risk of finding the fact later quoted against us and as showing that the door has been definitely shut once and for all in this particular matter; it is inconceivable that if this one question of a few thousand extra police became the only outstanding matter of control between the ex-allied governments and Germany, His Majesty's Government for their part would⁷ be prepared to allow the extra men, to whom both the War Office and General Wauchope have consistently said that they see no military objection.

5. You should therefore now make it clear to the French Government that I am not disposed to give way further and that I can only consent to the note being despatched with the addition of the words 'dans les circonstances actuelles', or some alternative phrase that equally meets our point. The proposal that the British point of view should be recorded in a declaration

³ Major-General A. G. Wauchope was chief of the British Section of the Inter-Allied Military Commission of Control in Germany. In a report of June 11 he had stated that he thought it preferable for the Conference of Ambassadors to delay giving any decision rather than to go against the British standpoint.

⁴ See Volume I, No. 448.

⁵ See No. 42.

⁶ See *ibid.*, note 5.

⁷ It would appear that the word 'not' was here deleted in error from the draft of this despatch.

embodied in the minutes of the Conference does not meet the requirements of His Majesty's Government, for it would be binding neither on the French Government nor on the Conference as a whole.

6. It is greatly to be hoped that, when the French see that we mean to stand firm, they will waive the point. The result otherwise will be a deadlock, with the consequence that no reply will be returned to the German request. While that result may be regrettable (as to which I am not entirely convinced) the responsibility would not be mine.

7. Finally I have no objection to the amendments suggested in the ninth paragraph of your telegram under reference.⁸

I am, &c.,

(For the Secretary of State)

ORME SARGENT

⁸ These amendments were incorporated in the final text of the note (see No. 85, note 2).

No. 77

Mr. London (Geneva) to Sir A. Chamberlain (Received July 2, 2.15 p.m.)

No. 141 L.N. Telegraphic [W 6112/78/98]

GENEVA, July 2, 1926, 11.10 a.m.

Following from Roberts.

My immediately preceding telegram.¹

No agreement has so far been reached on duties of naval committee. French representative supported by Italian has pressed throughout for comparison by total tonnage of navies as sole practical standard and carried majority of committee in excluding comparison of total tonnage by classes as adopted at Washington on the ground that it could not be applied generally.

Committee accepted this morning report of its drafting committee, British, American, Argentine and Chilean representatives voting against. Statement announced that separate report would be presented by delegations who composed minority. This report, while expressing preference for tonnage by classes, admits in fact possibility of several other standards.

Japanese representative, who took part in drafting majority report, now appears anxious to transfer his support to minority.

French and Italians have throughout maintained an irreconcilable attitude and discussions have been tortuous and at times heated. This is not true of the other two committees and may partly be explained by personality of French Admiral. Too late French are realizing unwisdom of carrying to extremes their opposition to Washington system² and it is just possible that

¹ Not printed. This telegram of July 2 stated in particular: 'Reports of military and air committee[s] on standards of comparison are now completed and will be laid before sub-committee A. tomorrow morning, when they will probably be accepted without discussion.'

² Admiral Aubrey Smith had previously reported in Geneva telegram No. 136 L.N. of June 23: 'An insidious attempt is being made to undermine and discredit Washington treaty and France and Italy do not conceal their bitter animosity to it. I have placed on record that I cannot take part in any discussion impinging on Washington treaty.'

they may at last moment veer round. Failing this sub-committee A will have to forward majority and minority reports to preparatory commission.

'Journal de Genève' yesterday commented on danger of trying to impose on members of British Empire and United States decisions reached by a naval committee in which there are representatives of Czechoslovakia who has no navy and Poland who has next to none.

No. 78

Mr. London (Geneva) to Sir A. Chamberlain (Received July 3, 9 a.m.)

No. 142 L.N. Telegraphic [W 6129/78/98]

GENEVA, July 2, 1926, 11.40 p.m.

Following from Mr. Roberts.

My telegrams Nos. 140¹ and 141.²

Sub-committee accepted this morning reports of its military and air committee[s] subject to reservations on particular points which had already been made by certain delegations.

This afternoon long discussion ensued upon report of naval committee. Exception was taken by representatives of Belgium, Finland, Poland, Czechoslovakia and others to a statement at the end of report of minority calling attention to fact that decisions on purely technical naval subjects had been reached by a voting in naval committees in which delegations of countries which had not only no professed naval representatives but some of them no navies or coast line took part on an equal basis with delegations of naval powers.³

Majority report was finally adopted by 14 votes to 4, Germany abstaining. Minority report signed by British, American, Argentine and Chilean representatives will therefore be forwarded with majority report of⁴ preparatory commission.

¹ See No. 77, note 1.

² No. 77.

³ On July 8 Sir A. Chamberlain recorded in his despatch No. 912 to Washington that the American Ambassador had 'asked me what I thought of the progress of the disarmament discussions at Geneva. Mr. Houghton has never approved United States participation in these discussions and he did not affect to conceal a certain pleasure in what he deemed their very infructuous results. He was inclined to say that, far from achieving any progress, all that had been done was to cast doubt upon the decision of the Washington Conference. He added that when American opinion became aware of the decision on naval armaments by a majority composed of "such maritime Powers as Poland, Czechoslovakia and Roumania" it might have a serious effect, and he sought to know whether I thought there was any use in continuing the discussions. I said that I should regard their breakdown as a calamity. His Majesty's Government felt some anxiety as to the course the discussions were taking, but we had always recognized that progress would be very slow and we intended doggedly to persist in our efforts to secure a practical result up to the very last.'

⁴ In another text of the telegram this word read 'to'.

Sir R. Hodgson (Moscow) to Sir A. Chamberlain (Received July 12)

No. 468 [N 3210/2017/38]

MOSCOW, July 2, 1926

Sir,

In continuation of my despatch No. 438¹ of June 18th regarding Mr. Paton's² complaint of the malpractices of agents of the State Political Department in Vladivostok, I have the honour to submit an account of the conversation which I had with M. Chicherin on this matter.

2. I gave M. Chicherin to read Mr. Paton's account of the treatment to which his typist was subjected and pointed out that the matter was one which I felt it necessary to raise with him personally since it involved a large issue—that of the courtesy which representatives of the British Government had a right to demand in Soviet Russia. It was inadmissible that a Consular officer should be exposed to the insult of which Mr. Paton complained, that his employees should be terrorised and forced to act as spies upon him. M. Chicherin would not have forgotten the language used by Mr. MacDonald to M. Rakovsky with reference to the bearing which similar incidents occurring here had upon the question of a British Ambassador being appointed to this country. Mr. Paton's position in Vladivostok entitled him to expect that he would be treated with no less courtesy than this Mission: the state of affairs which his complaint revealed was equally intolerable whether here or in Vladivostok. Yet I had no desire to lend to the incident excessive importance or to take such extreme action as laying it before the Diplomatic Body. My protest in the past had not achieved the desired result, and I should be glad to know what assurance M. Chicherin could give me that the nuisance would be removed in the future. He would understand the deplorable impression created by the fact that, in spite of what had passed, such abuses continued,—that they discredited a government which found it necessary after eight years of existence to employ them in order to assert its authority, that they aroused the antagonism of persons who were well disposed towards it, that they created an atmosphere which hampered the working of foreign representatives accredited to it.

3. M. Chicherin made no attempt to defend the officials of the State Department but explained that the unpleasant practices of which I complained were to be attributed to the 'excès de zèle' of young officials who were anxious to make a career and thought that all means were justifiable. Two years ago he had made strong remonstrances to the heads of the State Political Department and he could assure me that they absolutely disapproved of the practices which were the subject of my complaint. Dzerjinsky³ had himself taken the matter up, had given the strictest instructions that these

¹ Not printed: see Volume I, No. 446, note 1.

² Mr. G. P. Paton was H.M. Consul at Vladivostok.

³ President of the All-Russian State Political Department and President of the Supreme Council of National Economy.

abuses should cease and had been successful in eradicating them so far as Moscow is concerned. (He has not, in fact, been so successful as M. Chicherin thinks.) But in dealing with Vladivostok or any other distant locality it is extremely difficult to take efficacious action. Mr. Paton's complaint was directed against the senior official of his department on the spot. The obvious course would be to instruct that official's superior at Habarovsk to make investigation into the matter—and what would be the result? The man on the spot would either deny the whole thing completely or would find some means of dealing with the girl as a criminal. The most effective course would be to send a special commission from Moscow but it was impossible to appoint commissions for every complaint of the kind.

4. I replied that I was incompetent to suggest a means of eradicating the evil, but he would understand that it was impossible for me to leave things as they were. As for the statement that M. Dzerjinsky had been successful in Moscow in dealing with it, I would not contradict it at the moment, but I could say definitely that in Leningrad the abuse still continues. M. Chicherin replied that he fully understood my position in the matter and would do his best to give me satisfaction but that he really felt at a loss as to what action would be most effective and before doing anything would consult with M. Cagan of the Anglo-Latin department. He assured me that the persons who supplied the information communicated to me by Mr. Paton would not suffer for their action.

5. A few days later I saw M. Cagan, who told me that it had been decided to send a special commission to the Far East to go into the question. I have accordingly telegraphed to Mr. Paton notifying him of this fact and suggesting that he should place at the disposal of the Commission whenever it arrives such information as it may require in order to carry out its investigation. In the meantime Mr. Paton's typist has, he tells me, fled from Vladivostok to Harbin in order to avoid further persecution. Latterly she had been questioned by the State Political Department regarding the Consular safes and the keys belonging to them.

I have, &c.,
R. M. HODGSON

No. 80

Sir R. Hodgson (Moscow) to Sir A. Chamberlain (Received July 12)

No. 470 [N 3202/1687/38]

MOSCOW, July 2, 1926

Sir,

I have little to add to the contents of previous despatches on the subject of the reactions in Soviet Russia to the strike in England. The articles and appeals of which—to save time—I have transmitted translations by post will have kept you au courant with the trend of opinion as manifested in the press. The misinterpretation of the British memorandum to which I have

previously alluded,¹ continues to be industriously circulated—it has indeed become in the utterances of various orators an ‘ultimatum’—and, as there is no surer way of arousing the sympathy of the human herd than by forbidding the expression of sympathy, the appeals for support for the miners have aroused sporadic responses throughout the country. The papers record a wealth of indignant protests against the attempt of the English Government to ‘intervene in Soviet internal affairs,’ (See translation herewith),² from little groups of outraged toilers in all corners of the Union, with asseverations that the obstructions placed in their way by England will be met by redoubled energy in the collection of subscriptions. And as an earnest of this determination remittances of varying amounts continue to be paid into the central fund held by the All-Russian Council of Trades Unions.

2. Of the leading articles which have appeared recently there is not much to be said—except that they reflect the nervousness of the Soviet trades unions as to the imminence of a settlement, their disappointment at the readiness shown by the proletarians of other countries—Germany, Poland, and Holland—to betray their brothers in England, and their indignation at the failure of the Second International to assist the cause of the workers. The ‘Pravda’ in its issue of June 30th is particularly insistent upon the peril which threatens the miners of England as a result of the defection of their allies and the pusillanimity of their leaders—even Mr. Cook³ is now accused of vacillation and possibly of treachery. And the All-Russian Central Council of Trades Unions cannot remain indifferent to the crisis—it must ‘save the strike of the coalminers,’ for ‘The English miners’ strike is in danger. Grasping the whole acuteness of the danger which threatens it, the Council on its side takes upon itself the initiative in the matter of its salvation and had proposed to the General Council of Trades Unions in England to summon the Anglo-Russian Committee⁴ to support the miners.’ ‘... ‘The Soviet trades unions in accordance with their duty of international proletarian solidarity are ready to take all decisive measures for supporting the miners’ strike. But the strike can be saved only if all forces both of the British and of the international worker movement are united. With this object in view the Soviet trades unions propose to summon the Anglo-Russian Committee. They are ready to fulfil their international duty to the end. It is the turn of the General Council of the Trades Unions in England to speak.’

3. The communiqué of the Commissariat for Foreign Affairs of which I

¹ In Moscow telegram No. 137 of June 17 Sir R. Hodgson had stated: ‘Soviet press is interpreting memorandum as demand that Soviet Government should put an end to subscriptions by Soviet trade unions.’

² Not printed. The enclosed translation from the *Izvestiya* of June 19, 1926, comprised an extract from a manifesto by the Executive Bureau of the Red International of Trades Unions entitled ‘Hands off the Soviet Trades Union’.

³ Mr. A. J. Cook was Secretary of the Miners’ Federation of Great Britain.

⁴ This committee originated in an agreement between the Soviet Trade Unions and the six British trade-union delegates who visited the U.S.S.R. in September 1924, and was set up when the General Council of the Trades Union Congress endorsed their report in 1925.

⁵ Punctuation as in original quotation.

forwarded translation under cover of my despatch No. 452⁶ of 28th June indicates clearly the relief felt in government circles at learning the decision of His Majesty's Government to maintain diplomatic relations with the Soviet Union.⁷ It is also remarkable in that it carefully circumnavigates the essential question at issue, namely, the action of the Soviet Government in relation to the general strike, and is almost entirely devoted to a secondary issue, namely, the attacks of Mr. Churchill⁸ and Lord Birkenhead. I am confident that the satisfaction which the communiqué expresses is very real—that the Soviet Government is profoundly conscious that its conduct in the matter of the strike has not been irreproachable, that it finds it far easier to create a diversion by formulating remonstrances against the outbursts of British Ministers than to elaborate a justification of its indecorous behaviour.

4. Now that the acute period is past it is felt that a sedative is required and that the best means of administering it is by demonstrating to the public—both here and in England—the prejudice which a cessation of relations would entail to both countries. With this object in view M. Frumkin, Commissary for Trade, and M. Dzerjinsky, President of the Supreme Council of National Economy, have been marshalling facts indicating the steady growth of trade between the United Kingdom and Russia. I shall in due course forward a summary of their observations.⁹

I have, &c.,

R. M. HODGSON

⁶ Not printed. The enclosed communiqué of June 27 is printed in a variant translation in Jane Degras, *op. cit.*, vol. ii, pp. 120–3. The Russian text is printed in *Dokumenty Vneshney Politiki S.S.S.R.*, vol. ix, as No. 197.

⁷ This decision was announced by Sir A. Chamberlain on June 25: see *Parl. Debs.*, 5th ser., *H. of C.*, vol. 197, cols. 769–77. See also Lord Balfour's statement in the House of Lords on June 17 (cf. No. 56, note 6).

⁸ The reference was evidently to a speech by Mr. Churchill on June 19: for a report thereon see *The Times*, June 21, 1926, p. 8.

⁹ On September 24 Sir R. Hodgson transmitted, in Moscow despatch No. 702, preliminary statistics on Soviet foreign trade for October 1925–August 1926. These statistics showed that Great Britain and Germany did the most trade with the Soviet Union. Great Britain's imports were valued at 159 million roubles and exports to the Soviet Union at 109 millions. Germany's imports on the other hand were 89 and her exports 153 millions.

No. 81

Letter from Sir R. Graham (Rome) to Sir A. Chamberlain

Copy

[F.O. 800/259]

Private & Personal

ROME, July 2, 1926

Dear Sir Austen,

Many thanks for your private letter of June 24th on the subject of Franco-Italian relations.¹

¹ Not printed. In this letter Sir A. Chamberlain explained why he did not think that a suggestion by Sir R. Graham that he should speak to M. Briand on Franco-Italian relations was worth pursuing.

I quite realize that you cannot do anything more in the matter, and I will speak to the French Ambassador in the sense you suggested when he returns to Rome. I believe that if only Briand and Mussolini could have a good heart to heart talk the atmosphere might clear considerably. But as things are, there is no question as to the bitterness of Mussolini's personal feelings towards France. He showed them again quite clearly when I saw him a few days ago.

This Albanian business came as a surprise to me, and I hope that it will prove a storm in a tea-cup. Probably the Italian Minister at Durazzo and Ahmed Zogu are equally to blame. The former let his zeal outrun his discretion and altogether exceeded his instructions, while I would suggest it as possible that Ahmed Zogu may be attempting to escape from the economic strangle hold which Italy appears to have laid upon him by stirring up a political storm?

I still refuse to believe that Mussolini desires or intends to embark on any adventure at the present moment. As you will see from my recent reports, notably my despatch No. 532² of today's date, he is concentrating on consolidating the economic position of his country, and obviously any adventure would be fatal to his purpose. The wild talk as to the danger of his intentions continues I know and a good deal of it is inspired by the Opposition. But I find that the best opinion here shares my view. For instance the American Ambassador, Fletcher, in whose shrewd judgment I have a good deal of confidence, is entirely of my way of thinking. He told me recently that at the luncheon when³ Mussolini's language was extremely reassuring. His Excellency said that he was quite convinced that there would be no fresh way [*sic* ? war] for another twenty years. 'We shall all make ugly faces at each other' he declared 'but nobody means to fight'. In any case, Fletcher added, Mussolini attaches the greatest importance to the good opinion of His Majesty's Government. 'We have some influence because of the purse strings, but you are the people he would always listen to, and you could stop him doing anything foolish if you got at him in time.' I believe there is much truth in this. I have faith in Mussolini's good sense and, as you know, he has a real personal regard and affection for you. But what sometimes makes me rather anxious is the question whether we should be there in time? The situation at the Ministry for Foreign Affairs is by no means satisfactory. Mussolini himself is completely swamped by the multiplicity of his duties and obligations. Whenever one goes to see him one is impressed by the amount of visitors including Ministers, Generals, Admirals, Senators etc., who are all waiting for the chance of a few minutes with him. It is impossible for him to give real attention to foreign affairs. So long as Contarini⁴ was there this did not so much matter. Contarini, besides possessing true knowledge of foreign policy and its traditions, was a strong man with a violent temper, and all the officials both in and outside the Ministry were afraid of him. Bordonaro, his successor,

² Not printed.

³ It is possible that the text is here incomplete.

⁴ Signor Contarini had resigned as Secretary-General of the Italian Ministry of Foreign Affairs in March 1926.

is charming and nothing could be pleasanter than our relations are, but he carries no weight either with Mussolini or with the Service. He does not appeal [*sic*] to me quite up to his job, but I doubt if he will long survive. As a consequence, influence in foreign policy lies rather towards the Parliamentary Under Secretary, Grandi, whose position is ill defined. He also is sensible and very agreeable to deal with, but he is surrounded by all the Fascist hot-heads who are ready for anything. Italian agents abroad know that excess of zeal may be forgiven them but that weakness will not. A premium is put on exceeding instructions just as, I believe, has recently happened at Durazzo. I am always afraid of the Italian Government finding, before Mussolini himself has realized the situation, that they have gone too far to recede without loss of dignity, and once national dignity is involved Mussolini's reactions are incalculable. This is certainly a danger, but on the whole I am sanguine as to the outlook.

Yours v. sincerely,
R. GRAHAM

No. 82

Sir R. Graham (Rome) to Sir A. Chamberlain (Received July 4, 9 a.m.)

No. 158 Telegraphic [C 7461/391/90]

ROME, July 3, 1926, 9.40 p.m.

My telegram No. 155.¹

Secretary-General informed me yesterday that Signor Mussolini had been 'perfectly furious' after my visit to him and had sent at once for Italian Minister to Albania. The latter had succeeded in convincing His Excellency that he had not used alleged minatory language to Ahmed Zogu. Telegram had been sent to Italian Chargé d'Affaires at Durazzo instructing him to ask Ahmed Zogu why he had spread these alarmist rumours. Signor Mussolini told me this morning that his message had been rather sharp in tone, and he read me Ahmed Zogu's reply.² It was to the effect that British Minister must have entirely misunderstood him. He had never spoken of ultimatum or used other language attributed to him.

I said Ahmed Zogu had evidently been trying to trouble the waters for fishing purposes, a proceeding not unfamiliar with Albanian statesmen. In any case you had never taken Ahmed Zogu's statement at its face value and my friendly representation had been inspired by regard for Italian interests.

The principal danger of misunderstanding had . . .³ at Belgrade and I was glad to hear from Mr. Kennard⁴ that Yugoslav government considered

¹ No. 75.

² Cf. *I Documenti Diplomatici Italiani*, Settima Serie, vol. iv, pp. 261-2.

³ The text is here uncertain but should probably include 'Iain'.

⁴ H.M. Minister at Belgrade.

incident closed.⁵ Signor Mussolini replied that according to his information they had never attached importance to it.⁶

Addressed to Foreign Office No. 158 July 3rd, repeated to Belgrade and Durazzo.

⁵ On July 6, however, the Serb-Croat-Slovene Minister in London called on Mr. Sargent to state that his Government was 'somewhat disquieted' by the recent Italian action, and to request an assurance, which Mr. Sargent gave, that His Majesty's Government's policy still aimed at the maintenance of Albania's political independence.

⁶ In his despatch No. 552 of July 9, giving a full account of this interview, Sir R. Graham added that it was 'more than likely' that Baron Aloisi had exceeded his instructions in the language he used to Ahmed Zogu Bey, but that the latter had doubtless exaggerated the incident for his own purposes.

No. 83

Letter from Mr. Roberts (Geneva) to Mr. Cadogan
[W 6276/78/98]

GENEVA, July 5, 1926

Dear Cadogan,

I enclose three copies of a note on a conversation with Lucien regarding the French proposal on Article 16 of the Covenant, which was put forward to the Preparatory Commission.¹ Will you send a copy on to Henty?²

Yours ever,
W. R.

ENCLOSURE IN No. 83

Note on a conversation with Major Lucien of the French Delegation regarding the French proposal for making more effective Article 16 of the Covenant.

GENEVA, July 5, 1926

I took an opportunity recently of asking Major Lucien of the French Delegation whether he would tell me what he thought was the real purpose of M. Paul Boncour's proposal regarding Article 16 of the Covenant.

M. Comert, a French member of the League Secretariat, was also present.

I explained that while many of the suggestions in it seemed to us free from objection, one of them appeared to revive the old proposal for working out beforehand plans for military assistance and that British views on this question had not changed.

M. Comert remarked that he could not imagine what the French Government stood to gain by bringing up again an idea to which we were unalterably opposed. Moreover, the French proposals, he thought, were, in their present form, much too vague. If they were referred by the Council for an advisory

¹ See Nos. 16 and 19.

² Private Secretary to Lord Cecil.

opinion to technical bodies like the P[ermanent] A[dvisory] C[ommission], the P.A.C. would have no clear idea as to what it was supposed to do.

Major Lucien protested that the purpose of M. Paul Boncour's paper had been misrepresented. The French Government, he said, had not the slightest intention of reviving the proposals for military assistance which were embodied in the draft Treaty of Mutual Assistance or in the Geneva Protocol. Was this not clear from the memorandum³ which accompanied the French proposal? Their principal aim was to get some practical scheme worked out which would enable the League at the right time to co-operate in rendering financial and economic assistance to a state which was the victim of aggression. They had also put forward suggestions for speeding up decisions of the Council, but these were subsidiary to the first object. To bring out this point he said that during the last war it had taken nearly two years to put in motion machinery, in the shape of an Inter-Allied Supreme Economic Council, for securing that each country obtained the required allotment of food supplies and raw materials. The French wished to see the League set up the nucleus of a similar organisation. Such a body would be able, once the Council had decided that a State was the victim of an unprovoked attack, to ensure that the necessary supplies were diverted to that State without prolonged delay. This would mean that the special needs of each State should be roughly determined beforehand so that when the time came the proper machinery could be put in motion.

I replied that, if this were so, it seemed to me a pity that the French Government had not found an opportunity of explaining their proposals to us beforehand. As far as financial assistance was concerned, I thought we should always be prepared to explore the ground and, indeed, Lord Cecil had circulated a paper⁴ on the subject to the Drafting Committee in May, which had only been withdrawn because the Preparatory Commission were not a suitable body to discuss the Covenant.

M. Comert remarked that, in any case, if the French attached importance to the question being discussed in September and not put off, the Council would have to refer it to the Committee of the Council. Any technical bodies would require to be told the exact points which they were to investigate. The Council would be much too busy to thrash these out and therefore, it should pass the matter on to the Committee of the Council.

The memorandum (C.P.D./C.R./8)³ which accompanied the French proposal, in my opinion, certainly puts the matter in a much less objectionable light from our point of view. In addition to the economic proposals, the suggestion of setting up commissions of investigation for use in establishing the facts on the spot during the procedure of settling a dispute, both before and after the outbreak of hostilities, would no doubt have to be carefully looked into. But I submit that much misunderstanding and loss of time may be avoided if the French Government are asked to put us in possession before-

³ See League of Nations, *Documents of the Preparatory Commission for the Disarmament Conference*, Series II, pp. 111-12.

⁴ *Ibid.*, pp. 109-10.

hand of any concrete proposals on this subject which they intend to make at Geneva.

A copy⁵ of paper C.P.D./C.R/8 is attached for the convenience of reference.

WALTER ROBERTS

⁵ Not printed.

No. 84

Mr. Magowan¹ (Mainz) to Sir A. Chamberlain (Received July 9)

No. 35 [C 7680/692/18]

MAINZ, July 6, 1926

Sir,

Mr. Stephens, Chairman of the Saar Governing Commission, developed a proposition to me on his visit to this consulate yesterday which he thinks should be given consideration by authorities interested in the Saar question.

2. If and when some measure of settlement of the French financial imbroglio is envisaged, such settlement will undoubtedly be largely influenced by British, American, and possibly German financial authorities. France needs money, and needs money in liquid form at once. The Saar mines are a French asset. Their future depends, as matters now stand, on the outcome of the plebiscite in 1935. Very few people doubt that the plebiscite will go in favour of Germany, which will then have the right to repurchase the mines. France can hardly be looking forward to 1935 with sanguinity. Would it not be possible, says Mr. Stephens, to use the present moment when France is urgently in need of liquid credit to obtain a solution of the Saar problem in advance, save the faces of both France and Germany, provide France with money and, in a measure, assuage German fears of French annexionist designs by inducing France to sell her rights in the mines—that is ownership in perpetuity subject to the German right to repurchase under the conditions named—to an international consortium? Mr. Stephens thinks that the coal-using countries such as Italy, Switzerland, Holland, as well as France and Germany could combine to form such a consortium, and the whole scheme could be a part of any general scheme whereby foreign assistance to French finance would be arranged.

3. Mr. Stephens is fully aware that his suggestion bristles with difficulties. He thinks however that it is worthy of consideration by British financial authorities who may have occasion to discuss these affairs with their French colleagues and he has asked me to put on paper a rough outline of what he mentioned, and submit it to you. He is confident that this suggestion will meet with a greater welcome from both French and German quarters than might at first sight be expected, although it is certain that neither the French nor the Germans are likely to take an initiative in this direction. He thinks that the suggestion would best come from a third party and then not from a political source, but financial. In other words he seems to imply that if Sir

¹ H.M. Consul at Mainz.

[Mr.] Montagu Norman² or Mr. Benjamin Strong were to raise the point in a general French stabilisation scheme there is a considerable prospect of its being seriously taken into consideration. He also thinks that some such measure would go a very long way towards a satisfactory liquidation of the whole Saar question.

4. I have sent copies of this despatch to His Majesty's Chargé d'Affaires at Berlin and His Majesty's Consul-General at Cologne.

I have, &c.,

J. H. MAGOWAN

² Governor of the Bank of England.

No. 85

The Marquess of Crewe (Paris) to Sir A. Chamberlain (Received July 8)

No. 1266 [C 7633/436/18]

PARIS, July 7, 1926

Sir,

With reference to your despatch No. 1900¹ of July 1st, I have the honour to inform you that, in accordance with your instructions, the Ministry of Foreign Affairs was duly informed that you were not prepared to give way further respecting the question of the German Police. It was explained that you could only consent to the note being addressed to the German Government with the addition of the words 'dans les circonstances actuelles' or some alternative phrase which would equally meet your point that the note should not be worded so as absolutely to close the door should the situation subsequently justify a change of attitude.

2. The Ministry of Foreign Affairs took note of this communication and on July 7th, after two days' reflection, informed me that it was prepared to agree to the inclusion of the words 'dans les circonstances actuelles'. The reason given for the modification of the attitude previously adopted by the Ministry in this matter was that too important questions were now at issue to justify the Ministry standing out in a matter like this.

3. The note to the German Government is accordingly being despatched at once.²

4. At a private luncheon party to-day, a member of my staff met the Counsellor of the German Embassy, who opened a conversation on the question of the Police. The German Counsellor was apparently already

¹ No. 76.

² This note, No. 149 of July 9 to the German Chargé d'Affaires in Paris and signed by M. Briand on behalf of the Conference of Ambassadors, is not printed. The first two paragraphs corresponded closely with the first two paragraphs of the enclosure in No. 42: the third paragraph read as follows: 'J'ai l'honneur de vous faire savoir que, après avoir examiné ces arguments avec toute l'attention qu'ils méritent, la Conférence, dans les circonstances actuelles, ne peut que s'en tenir aux chiffres fixés dans la note de Boulogne; elle saisit cette occasion pour prier le Gouvernement allemand de vouloir bien hâter autant que possible la réorganisation de la police que cette situation implique.' The note is printed in *Akten zur deutschen auswärtigen Politik 1918-1945*, Series B, vol. i, part 1, No. 251, note 3.

aware that the 5,000 additional police were to be refused. He stated that he had just returned from a visit to Berlin, where he had found the German Government determined to make no further progress with the organisation of the police until satisfaction was given to its point of view respecting an increase in the numbers. He said that he had advised the German Government, despite the strong views which it held on this question, to return no reply to the note from the Ambassadors' Conference when it arrived, but to proceed as quickly as possible with the settlement of the questions which were still outstanding, other than the police.

5. So soon as these questions had been arranged, which the German Counsellor appeared to believe might be effected within a comparatively short time—some two or three months—the police question could again be taken up. The German Counsellor did not seem to wish to disguise the fact that at that stage it might not only be the Conference which would have to make a concession. As at that moment the police question would be the last point outstanding, it might be that the German Government itself would be willing to give away something.

6. The German Counsellor stated further that he had remarked at Berlin the impression that the French Government did not really wish to bring control to an end. The member of my staff said that such an impression seemed to him to be quite unjustified. If the German Government could see its way to execute the undertakings which its representatives had freely accepted at Paris last November, he could not believe that everybody would not be thankful to see the Commission disappear.

7. It would be interesting to know whether the French decision to give way respecting the inclusion in the note of the words 'dans les circonstances actuelles' has been influenced by any indication given them on the lines of the statement of the German Counsellor reported above.

I have, &c.,
CREWE

No. 86

*Mr. O'Reilly (Durazzo) to Sir A. Chamberlain (Received July 12, 9 a.m.)
No. 22 Telegraphic [C 7734/391/90]*

DURAZZO, July 11, 1926, 10.17 p.m.

Your telegram No. 20.¹

President states that attitude of Italian Minister has changed and that he now (? proposes) treaty of friendship without allusion to 1921 Declaration. Ahmed Zogu replied that he would be glad to consider this because he hoped always to enjoy the best relations with Italy.²

Addressed to Foreign Office No. 22. Repeated to Rome No. 6 and Belgrade No. 4.

¹ Not printed. The instructions in this telegram of July 9 were those summarized by Sir A. Chamberlain in the third paragraph of No. 118.

² For reports of conversations at this time between Ahmed Zogu Bey and Baron Aloisi see *I Documenti Diplomatici Italiani*, Settima Serie, vol. iv. pp. 270-1 and 273.

*Sir O. Russell*¹ (*The Vatican*) to *Sir A. Chamberlain* (Received July 19)
No. 111 [C 8053/1289/3]

THE VATICAN, July 12, 1926

Sir,

I have the honour to report that the Holy See, to judge from recent references to the subject by members of the Secretariate of State, is somewhat preoccupied with the growing agitation for the attachment of Austria to Germany, which is developing in both countries. A month or two ago it was suggested in one or two English newspapers that the Vatican was behind this movement, and that the changed opinion on the question of the Anschluss among the Christian Social Party in Austria was due to hints from the Holy See. I am quite convinced that this was an irresponsible and unfounded suggestion; in view of the economic condition of Austria and the fading of the vision of a Danubian Confederation, to which the Christian Social Party used to be attached, it required no outside pressure to induce a change of policy on the part of the bulk of Austrian Catholics. At the same time it is natural that the Holy See should be weighing the pros and cons of a development which they feel cannot be indefinitely delayed. Superficially the union of Germany and Austria might be held to be favourable to the Church, as it would bring into the German Reich a compact body of Catholics, and form a considerable addition to the already influential German Catholic population.² Whether this would lead to a Protestant reaction is now doubted; the prime movers in Germany in the matter of the Anschluss are not Catholics, and, in any case, the attitude of the German Government to the Church since the revolution and under the Weimar Constitution has been generally satisfactory. Another possibility is that Catholic influence, under the Anschluss, would be given opportunities of expansion south-eastwards; for, with Germany in command of the cultural and commercial potentialities of Vienna she would, in certain essentials, be regarded as having won the war, and the well-known efficiency in education and pastoral work of German religious would tend to apply itself, discreetly no doubt, but none the less really, to the Balkans and thence to the Middle-East. The break-up of the Austro Hungarian Empire, which the Holy See in general tended to deplore, might therefore turn out to be a blessing in disguise, by freeing the Church from the limitations of patronage and opening up to it missionary opportunities free from dynastic embarrassments.

2. Against these possible remote advantages, however, there are a number of serious immediate drawbacks to be set. First, there is the fact that the Anschluss, unless carried through with the consent of the League—which does not seem to be practicable—would mean the first considerable breach in the treaty-structure of Europe. Responsible spokesmen of the Vatican,

¹ H.M. Minister to the Vatican.

² A marginal note by Mr. Lampson here read: 'Exactly what many Germans do not want. M. W. L. 23/7/26.'

including the Cardinal Secretary of State, have never, in private conversations, disguised their view that this structure rests on insecure foundations, particularly in regard to Poland, which is regarded as too large to be manageable, and to Czechoslovakia, which is 'an Austro Hungarian Empire in miniature', and geographically in a situation of extraordinary weakness, weakness which the Anschluss would seriously aggravate. Without any particular love for the treaties, however, the Vatican has as lively an appreciation as any Government of the danger of any forced movement to revise them. Even if it were possible to carry through the Anschluss in isolation, and so obviate its being made the starting-point for other far reaching claims by Germany, the all-important fact of intense opposition by France and Italy has to be faced. An open Italo-German quarrel would be a very grave embarrassment to the work and policy of the Church, whose declared aim under the present Pontiff is 'the peace of Christ in the Kingdom of Christ'; and I cannot but think that any influence the Holy See possesses and feels itself in a position to exert against the apparently inexorable economic factors, which seem to be bringing the Anschluss nearer every day, would tend to delay the culmination of this movement as long as possible, or at least secure its peaceable accomplishment. The actual solution of the problem rests, of course, in the hands of governments. Experience, however, has shown that the mere presence of considerable bodies of Catholics in Central European countries, apart altogether from what is superficially termed 'Vatican policy', and leaving out of account political interference by the Holy See, to which at least the present Pope is most strongly opposed, is one of the most important of political imponderabilia. Catholics today seem more and more instinctively moved to a political line of action, which accords with the broad religious interests of the Church as a whole; the German Centre party's moderate policy in regard to Poland is an apt example. It is for this reason that I have ventured to gauge the mind of the Holy See on a question with which it has no direct dealing, but towards which its attitude appears to be of no small potential influence.

I have, &c.,
ODO RUSSELL

No. 88

Letter from Mr. Sargent to Mr. Phipps (Paris)

[C 7305/1618/62]

FOREIGN OFFICE, July 12, 1926

My dear Eric,

The Secretary of State is much interested in your despatch No. 1195¹ (26/48/1926) of the 28th June in which you record your impressions of recent developments of French policy in Central Europe, but he would like you to develop your views a little further.

¹ No. 74.

You say that the most common criticism in France against Locarno is that its result has been to weaken French influence in Central Europe and the Balkans and to increase the jealousy felt in France in regard to Italy. It may be true that the diminution of French influence in that part of the world may have been hastened by the Locarno treaties which have encouraged Poland and Czechoslovakia to look to their arbitration treaties rather than to France for their security, but do well informed French circles representative of the average public opinion really hold that this diminution of French influence and the corresponding increase of Italian influence has actually been caused by the Locarno treaties? Or is it only that some of the more foolish try to make Locarno the scapegoat in order to avoid having to recognise the obvious fact that the rise of the influence of Italy is due to the national revival and geographical situation of Italy coupled with the parliamentary and economic instability of France.

The Secretary of State has minuted your despatch as follows:—

‘I suspect that the right way to express this particular section of French opinion would be not so much that Locarno lessened French influence as that it exalted Italy’s position (I often said before Locarno that if we succeeded Italy could not afford to be left out) and that it [*sic* ? is] certainly true. I expect too that whilst all Frenchmen would have liked an alliance with Italy, some find a guarantee by Italy galling to their pride.’

Could you therefore let us have your further views on this question in due course.

Yours ever

C. HOWARD SMITH²
(For O. G. Sargent)

² A member of the Central Department.

No. 89

The Marquess of Crewe (Paris) to Sir A. Chamberlain
(Received July 14, 8.30 a.m.)

No. 274 *Telegraphic: by bag* [C 7860/24/18]

PARIS, July 13, 1926

The German ordinances enclosed in my despatch No. 1189¹ of June 26th and designed to regulate the restrictions on flying by members of the Reichswehr and German police are still under discussion here.

¹ This covering despatch is not preserved in Foreign Office archives. It transmitted the following texts: (i) note No. B. 2126 of June 22 from the German Ambassador in Paris to the President of the Conference of Ambassadors regarding the undertaking given by the Governments of the German States to the Government of the Reich not to subsidize aviation. This note is printed in *League of Nations Treaty Series*, vol. lviii, pp. 365–6; (ii) a record dated June 25 of a conversation between M. Massigli and Dr. Forster of the German Ministry of Foreign Affairs, who communicated (iii) drafts corresponding generally to the Decree by the

2. In accordance with your telegram No. 167² of June 28th, this Embassy has strongly urged the acceptance of the ordinances as they stand and has refused to admit official discussions on the subject with German representatives. M. Massigli has, however, been authorised to conduct unofficial conversations with the German Embassy with a view to the modification of the ordinances in the direction of closer conformity with the terms of the agreement signed on May 22nd³ and in the light of certain observations submitted by the Committee of Guarantee.

3. M. Massigli is under the impression that there will be no strong objection on the part of the German Embassy to these modifications. He was, however, this morning warned by a member of my staff that his conversations must now proceed with the utmost expedition, in order that the ordinances might be promulgated by the German government before the end of this month, and (provided the proposal to this effect was approved by the Governments) the Guarantee Committee be withdrawn at the end of August. M. Massigli promised to do his best to this end.

4. He was further informed that, if agreement had not been reached with the Germans by July 22nd, the member of my staff felt that I should probably insist on the ordinances being accepted as they stood and reliance being placed on paragraph 2 of section 2 of the protocol which reads as follows:—

‘Si les mesures ainsi édictées pour l’application de l’accord intervenu se révèlent insuffisantes dans la pratique, il appartiendra au gouvernement allemand, dont l’attention aura été attirée sur ces insuffisances d’y remédier dans la mesure où l’expérience en aura montré la nécessité.’

M. Massigli said that, provided some mention of the above paragraph was made in the conference communi[ca]tion taking note of the ordinances, he felt that such an attitude would be reasonable.

I should be glad to know as soon as possible that you approve the proposal to withdraw the Guarantee Committee made in the Versailles Committee’s report of June 29th (see my despatch No. 1251⁴ of July 6th).

Reichswehrminister concerning air training for members of the Reichswehr issued on August 6, 1926, and the Circular from the German Minister of the Interior regarding aviation by the police issued on August 9 and printed *ibid.*, pp. 366–70, except that paragraph 2 of the draft decree read: ‘Sont interdites, l’instruction ou l’activité dans l’aéronautique des membres de la Reichswehr isolés ou en groupes, contrairement à l’engagement contenu dans l’article 198 du Traité de Versailles.’

² Not printed: this telegram authorized the action reported below.

³ Cf. No. 29.

⁴ Not printed. The decision of the Conference of Ambassadors on July 16 (see No. 95) was in accordance with the proposal in this report.

*Sir A. Chamberlain to Sir R. Hodgson (Moscow)*¹*No. 535 [N 3278/387/38]*FOREIGN OFFICE, *July 13, 1926*

Sir,

M. Rosengolz having asked me to receive him, we had a conversation this morning which lasted for nearly an hour and a half. M. Rosengolz explained that he was unable to speak English, and he brought with him his first secretary, who acted as interpreter, and upon whose accuracy, therefore, I was dependent both for an exact knowledge of what M. Rosengolz said and for a proper translation of my reply.

M. Rosengolz began by expressing regret that his first interview with me was clouded by some recent incidents. He would venture to suggest that in future, if causes of complaint arose, it would be better that they should be treated verbally between us. But, more than this, it was the desire of himself and his Government to endeavour to arrange a general settlement of the questions outstanding between us, and thus to put our relations upon a better footing.

I replied, as to the first point, that, if our relations were in general good or such as normally prevailed between Governments, I should naturally have adopted the course which he suggested, but that it had appeared, and still appeared, to me that it could only lead to increased friction if I lodged a complaint about every individual incident as long as there was a constant stream of acts of ill-will and hostility towards this country. As to entering upon fresh negotiations, I observed that it seemed to me useless to undertake negotiations whilst the political obligations of the old Trade Agreement were not observed by the Soviet authorities. Even if I could get over this preliminary difficulty, I saw no advantage in undertaking them as long as we were separated by questions of principle about which we could reach no agreement. I had, nevertheless, authorised M. Briand at the time of M. Chicherin's visit to Paris to inform him that, if he desired to discuss these matters with me and asked me to receive him in London, I should be prepared to do so, and I had reason to believe that M. Briand had informed M. Chicherin of my willingness to meet him.²

M. Rosengolz said that he was not exactly informed as to what had passed between M. Chicherin and M. Briand, but he did not think that my message had reached M. Chicherin in that form. As to what I had said of a 'stream of incidents,' he could only reply that no such 'stream' existed, and that, in any case, he felt it was the duty of the two Governments to endeavour to clear up these misunderstandings. When His Majesty's Government rejected the Ponsonby Treaty,³ it had appeared to the Soviet Government that it was

¹ This despatch is printed as item No. 13 in Cmd. 2895 of 1927.

² See Volume I, No. 46, note 4: cf. also *ibid.*, No. 181.

³ Mr. Arthur Ponsonby, Parliamentary Under Secretary of State for Foreign Affairs, January-November, 1924, had been the principal British representative in the Anglo-Soviet

for His Majesty's Government to say the next word, but that feeling would not have prevented them from taking the initiative if they had any clear indication of wherein that treaty was unacceptable to the British Government. Could I indicate to him what articles of that treaty were objectionable and wherein we should require it to be changed?

Lest M. Rosengolz should have misunderstood me, I made it clear to him that I had sent no invitation to M. Chicherin to come here; I had merely authorised M. Briand to let M. Chicherin know that, if he desired an interview, I should not refuse it. As to our general relations, I could not, I said, do better than read him my record of the language which I had used to M. Rakovski on the 1st April [1925], as recorded in my despatch No. 249 to you of that date⁴:—

'I replied that I saw little use in entering into such general discussions so long as I was under the impression, from which I could not at present escape, that the political obligations embodied in the Trade Agreement were not being fulfilled, and that the influence of the Soviet Government or of the Communist International, whose activities I could not dissociate from those of that Government, was continuously being employed in an unfriendly spirit to British interests.

'M. Rakovski replied that I could not expect the Soviet Government to renounce its principles. It had its own principles as we had ours, and neither of us could be expected to change them to oblige the other Power. I observed that this was all very well, but it did not meet my point. Nothing in the principles of the British Government obliged them to adopt an unfriendly attitude to Russia in other parts of the world. If he was under the impression that I had been engaged at Rome or Geneva in an effort to form an anti-Soviet union, as I had seen suggested in the Russian press, I might tell him at once that there was not a word of truth in that suggestion. We were sufficiently strong in our own strength to protect our interests, and we had no idea of embarking on any such international campaign; but the Soviet Government appeared to act differently. Did he mean that their principles rendered it necessary for them to encourage anti-British feeling in Eastern States, or even within the British Empire? If so, it was useless for us to enter upon such an examination as he had suggested. As an instance of what we had to complain of, I cited the activities of the Soviet Ambassador in Peking, who continually denounced his foreign colleagues and their policy, and incited the Chinese Government to repudiate their treaties with this country and other foreign Powers.'

negotiations leading up to the signature, on August 8, 1924, of a General Treaty and a Treaty of Commerce and Navigation (printed respectively in Cmd. 2260 and Cmd. 2261 of 1924). On November 21, 1924, following the general election held on October 29, the new Secretary of State for Foreign Affairs, Mr. Chamberlain, had informed M. Rakovski that the treaties would not be recommended for ratification by H.M. the King.

⁴ Printed as item No. 11 in Cmd. 2895 of 1927.

This, I said, remained equally true to-day. I was unable to absolve the Soviet Government from responsibility for the action of the Communist International. Upon this point His Majesty's Government took exactly the same view as that expressed by Mr. Ramsay MacDonald in his note on the Zinoviev letter. As to the treaty, I would cite only two points, to one of which we attached first-class importance and to the other of which they appeared to attach an equal importance. The first was that we required that the Soviet Government should recognise the accepted principle of international law that a Government inherited the obligations as well as the rights of its predecessors. The second point to which I had alluded was the demand of the Soviet Government for a loan from the British Government or for a guarantee of a Soviet loan by the British Government. It was impossible that His Majesty's Government should give any loan or any guarantee. It was contrary to their settled policy in relation to other nations and, even apart from that, was obviously out of the question after the judgment pronounced upon the subject by the nation at the General Election. The Soviet Government could only borrow in the London market, and would-be-borrowers must come with clean hands. The repudiation of old debts was not a good introduction to the borrowing of fresh money.

M. Rosengolz replied that he thought the difficulties which had existed between us in the Far and Near East had become less. As to what I had said about the Communist International, it was impossible for the Soviet Government to control its activities or interfere with its liberty. It would be contrary to freedom as understood in Soviet Russia. Further, it was impossible that the Soviet Government, which was not merely a new Government but represented a new régime, should recognise in principle their predecessor's debts, but, whilst unable to accept the principle, they were anxious to find a practical settlement, and perhaps a loan or long-term credits could be discussed in connection with the settlement.

I said that this was exactly what I had feared. What was the use of involving ourselves in detailed discussions when we were separated by a gulf of principle which we were unable to bridge in regard to debts, and held equally irreconcilable views as to the responsibility of the Soviet authorities for the anti-British activities of the Communist International?

M. Rosengolz then said that he did not wish to enter upon an exchange of complaints, but that on their side also there was much to which they might take exception. He referred in particular to the Chancellor of the Exchequer's recent speech about trading operations with Russia.⁵ The Chancellor of the Exchequer, he said, appeared to have done his utmost to prevent Anglo-Russian trade, whilst it was in the development of such trading relations that he saw perhaps the best chance of an improved situation. The Soviet Government had derived the impression that Soviet policy was being used as a card in our party polemics and not considered on its merits.

I observed that the conversation was now taking a turn which I deprecated. I had already said that I thought that an argument about the many causes

⁵ See No. 80, note 8.

of complaint which we had, or which they might think they had, could not serve any useful purpose and would not in present conditions improve our relations. But I must say at once that the Chancellor of the Exchequer spoke with the authority of the Government and that the Soviet Government had no reason to complain of what he had said. He had pointed out what was in fact an obvious truth, that those who undertook speculative or trading operations in foreign countries did so at their own risk and could not look to His Majesty's Government to reimburse them for any losses which they might incur.

I then read to him the following passage from my account of another interview with M. Rakovsky on the 5th November, 1925, as recorded in my despatch to you, No. 1079.⁶ M. Rakovsky had similarly complained that there was a difference between the attitude of my colleagues and myself in regard to the Soviet Government:—

‘To this I replied, in the first place, that there was no foundation for the belief that there had been any difference between my colleagues and myself in regard to the policy to be followed in relation to Soviet Russia. I had myself proposed that policy to the Cabinet, and my colleagues had supported me in it throughout. Briefly it was this, that though we had ample grounds on which to base a rupture of relations with the Soviet Government, and though we had tolerated from that Government more than we had tolerated from the Governments of the Tsars, I desired, if possible, to avoid a rupture.’

That, I said, was still the policy of His Majesty's Government. I desired *if possible* to avoid a rupture, though we had tolerated from the Soviet authorities a course of conduct which we had never tolerated from the Tsarist Governments of Russia even at the times of most strained relations. If the Soviet Government wished for improved relations, let them or those who directed both them and the Third International find a means of controlling the anti-British activities of the latter body outside Russia.

I am, &c.,

(For the Secretary of State)

MICHAEL PALAIRET⁷

⁶ See Volume I, No. 65.

⁷ Head of the Northern Department of the Foreign Office.

The Marquess of Crewe (Paris) to Sir A. Chamberlain
(Received July 16, 8.30 a.m.)

No. 276 Telegraphic: by bag [C 7924/7/62]

PARIS, July 15, 1926

Franco-British war debt agreement¹

Owing to the holiday yesterday I thought it best to postpone until to-day my observations on the war debt agreement.

2. I would preface these observations by reminding you once more that public opinion in France holds almost unanimously that the war debts were contracted in a common effort and for a common cause and that therefore in propriety they all ought to be cancelled. French public opinion is also now fairly widely instructed on the fact that insistence by a creditor country on the letter of its bond will not conduce to its enrichment either by the sum actually paid or by the adverse effect on the general purchasing power of the debtor country.

3. If account be taken of these considerations, I find the reception here of the agreement to be satisfactory. Gratitude, in the light of the considerations emphasized above, must not be expected. But on all sides, the agreement is held to be statesmanlike. In the closing paragraph of my despatch No. 1281 of July 9th,² I remarked on the extent to which the generous principles underlying the Balfour note³ had come to be recognized here. I think that most people agree that the present agreement is closely inspired by those principles and that article 5 indeed represents a development of them.

4. The concessions which Monsieur Caillaux has obtained in respect of the payments in the earlier years, and the understanding that the debt will not be commercialized are noted, and there is no doubt at all that the letters relating to the 'safeguard clause' are a great consolation and will be an important parliamentary asset. I am sure that the government will be assisted by the agreement in the forthcoming debates.

5. I have already reported the success with which the onus for the debt settlements has, so far as we are concerned, been shifted on to American shoulders. The present agreement has certainly contributed further to this result.

¹ This agreement was signed in London on July 12 by Mr. Churchill and M. Caillaux, Vice-President of the Council in charge of the Ministry of Finance in the new French Government formed by M. Briand on June 23. The agreement, with explanatory exchange of notes by the signatories, is printed in *British and Foreign State Papers*, vol. 126, pp. 246-9.

² Not printed. This despatch discussed the 'rapidly decreasing' popularity of the United States in France, and the bearing thereon of the question of the ratification of the Franco-American war debt settlement (cf. No. 48).

³ i.e. Lord Balfour's despatch of August 1, 1922, respecting War Debts to the representatives in London of France, Italy, the Serb-Croat-Slovene State, Roumania, Portugal, and Greece, printed as Cmd. 1737 of 1922.

6. Please see French government's communiqué contained in my despatch No. 1321⁴ of to-day.

⁴ This covering despatch is not preserved in Foreign Office archives. The enclosure was an extract from *Le Temps* of July 15/16, 1926, comprising a communiqué on the debt settlement issued by the French Ministry of Finance.

No. 92

Sir A. Chamberlain to the Marquess of Crewe (Paris)

No. 2047 [C 7943/77/22]

FOREIGN OFFICE, *July 15, 1926*

My Lord,

After the conversation recorded in my despatch No. 2046¹ of to-day's date, Monsieur de Fleuriau added that he would like to tell me of a conversation which he had had with the Turkish Ambassador in London. Ahmed Férid Bey had spoken to him the other day about Italian policy. He had expressed himself as perturbed by the apparently aggressive attitude of Italy first towards Abyssinia and then towards Albania, and had sought from Monsieur de Fleuriau some appreciation of Italian policy. Monsieur de Fleuriau had given a reassuring reply, and he told me that he himself did not believe that Signor Mussolini contemplated any aggression. It might be that in Albania he was pressing Italian economic interests. In Abyssinia it was certain that the railway spoken of in the Anglo-Italian Notes² would not

¹ Not printed. This despatch recorded Sir A. Chamberlain's conversation with the French Ambassador respecting views expressed by the King of Spain, who was then visiting London, on (a) Spain's aspirations at Tangier and (b) her attitude to the League of Nations. As regards (a) M. de Fleuriau stated that he had reported to M. Briand a previous statement made to him by Sir A. Chamberlain (as recorded in telegram No. 180 to Paris of July 12) that King Alfonso had 'suggested some sort of mandatory position under the League of Nations, to which I [Sir A. Chamberlain] had answered that Italy would never agree to that proposal. His Majesty had appeared to think that he could easily obtain the assent of Monsieur Mussolini. I had said if he brought us Italian assent, the British government would not object to a mandate and that I did not suppose the French Government would either, as the important thing for both of us was that Tangiers should be neutral and internationalised.' M. de Fleuriau further stated that M. Briand thought that Sir A. Chamberlain's suggestion of a meeting in Paris with General Primo de Rivera might be useful but did not believe that 'any concession that it was within our power to make in that sphere would change his attitude in regard to the Council of the League'. As regards (b) Sir A. Chamberlain told M. de Fleuriau that he had argued strongly to King Alfonso, who appeared to have been impressed, against Spain's resigning from the League of Nations. For the King of Spain's visit see also No. 255. For the question of Tangier see the Appendix, pp. 932-3, and for the operative convention of December 18, 1923, on the Organization of the Statute of the Tangier Zone see Cmd. 2203 of 1924.

² These notes of December 1925 are printed in Cmd. 2680, *Notes exchanged between the United Kingdom and Italy respecting Lake Tsana, Rome, December 14/20, 1925*: cf. the Appendix, pp. 936-7. For the Abyssinian reference of this question to the League of Nations on June 19, 1926, see Cmd. 2792 of 1927, *Correspondence respecting the Agreement between the United*

be made for many years. If the peace of Europe were disturbed by other causes, Italy might be tempted to use such an opportunity, but as he had told the Turkish Ambassador, he did not believe that Signor Mussolini intended to break the peace. I expressed my agreement with Monsieur de Fleuriau's appreciation. I told him of the conversation which the Turkish Ambassador had had with me during our Mosul negotiations³ (see my despatch to Sir Ronald Lindsay No. 359⁴ of April 23rd), when he had given me the impression that he would have been reassured for his own country if I had told him that Italy was contemplate [*sic*] an attack on some other state. I had on that occasion held very much the same language as Monsieur de Fleuriau. I had said that I did not believe that Signor Mussolini entertained any aggressive intentions, but that it was impossible to say what action he might take if the peace of the world were disturbed by other Powers. I further observed to Monsieur de Fleuriau that I believed the French & British Military Attachés in Rome had compared notes and that they were agreed that not only was there nothing to arouse the suspicion that Italy was preparing an attack, but that the state of her arsenals was such that she was not in a position at the present time to undertake any serious enterprise. I told Monsieur de Fleuriau of the news which I had received from Durazzo and in general terms of what had passed between Sir Ronald Graham and Signor Mussolini on this subject. The conclusion which I personally had drawn from the reports received by me was that the Italian Minister had been more indiscreet than he admitted, but that Ahmed Bey had exaggerated what he had said in the endeavour to engage the French, the Serbs and ourselves in his differences with Italy. He had no doubt signed a very embarrassing agreement as regards the Italian Bank⁵ & it was very probable that he would like to use us to pull his chestnuts out of the fire.

In conclusion Monsieur de Fleuriau remarked that he thought there was little danger to European peace at this moment. The problems of the time were the internal problems of our different countries rather than their international rivalries or differences.

[I am, &c.,]

A[USTEN] C[HAMBERLAIN]

Kingdom and Italy of December 14-20, 1925, in regard to Lake Tsana, and League of Nations Official Journal, November, 1926, pp. 1517-27. See also Parl. Debs., 5th ser., H. of C., vol. 198, cols. 1200, 1690-1, 2721-51, and I Documenti Diplomatici Italiani, Settima Serie, vol. iv, passim.

³ For these Anglo-Turkish negotiations regarding the frontier between Iraq and Turkey see Volume I, Chapter V. The resultant Anglo-Iraqi-Turkish treaty of June 5, 1926, is printed in Cmd. 2912 of 1927.

⁴ This despatch to H.M. Ambassador at Constantinople is not printed: for this conversation cf. Volume I, No. 582.

⁵ In February-March 1925 the Albanian Minister of Finance had negotiated with an Italian financial group a concession giving it the right to establish a national bank of issue in Albania. The group was also to float a loan of 50 million gold francs, and to form a development corporation, for public works in Albania.

Mr. Addison (Berlin) to Sir A. Chamberlain (Received July 19)

No. 463 [C 8060/778/18]

Confidential

BERLIN, July 15, 1926

Sir,

I have the honour to acknowledge the receipt of your despatch No. 871¹ of the 7th instant in which you request me to obtain and transmit to you such information as I may have been able to acquire as to what passed at the meeting of the Foreign Affairs Committee of the Reichstag on the 26th ultimo, when the question of action by the Occupying Powers under Article 431 of the Treaty of Versailles was discussed.

2. The press did not contain any information on this subject beyond the bare report that the Minister for Foreign Affairs had made a statement. I have, however, been able to obtain, from a very confidential source, the stenographic record of the proceedings at the meeting, a translation of which is enclosed herein. I also enclose the German text² since it is not possible to vouch in every instance for the perfect accuracy of the rendering into English of remarks made in a conversational tone and often as a result of interruptions. I need hardly lay stress on the point that I am not supposed to have had access to this document, and that consequently no use can be made of it except as a source of information.

3. Dr Stresemann was of course defending his policy of caution and in speaking to members of Parliament would be obliged to promise some form of vigorous action in the future, a promise which may in fact be forgotten when the time comes. But, with this saving clause, the following statement appears to deserve some attention:—‘once we are in the council³ and the situation, which was foreseen at Locarno, has been brought about and consolidated by the withdrawal of the Military Commission of Control, the time will have come to bring up for diplomatic debate the whole question of the withdrawal of the troops from the Zones still occupied’. It is also not uninteresting that Dr. Stresemann should have said that he might be prepared to make large concessions to France in respect of the Dawes Annuities⁴ if, by

¹ Not printed. This despatch made the request recapitulated below with reference to a report on p. 13 of *The Times* of June 28, 1926.

² Not preserved in Foreign Office archives.

³ Of the League of Nations.

⁴ General Charles Dawes, an American citizen, was chairman of the Committee of Experts appointed by the Reparation Commission on November 30, 1923, ‘to consider the means of balancing the budget and the measures to be taken to stabilise the currency of Germany’. The committee submitted its plan to the Reparation Commission on April 9, 1924 (see Cmd. 2105 of 1924). A draft agreement for carrying into effect the plan for the discharge of the reparation obligations of Germany proposed by the Committee of Experts was formally adopted and signed by the Reparation Commission and the German Government on August 9, 1924 (see Cmd. 2270 of 1924). The Dawes Plan was finally put into effect and the Agreement of August 9, 1924, completed by the London Agreements of August 30, 1924, between the Allied Governments and Germany (see Cmd. 2259 of 1924).

so doing, he could obtain the departure of foreign troops from German soil. Further, he foreshadows that the problem of an alleviation of the burdens imposed by the Dawes Plan may very well be raised in non-German quarters in the near future, and that this particular question should consequently be allowed to rest for a while.

4. The main point of Dr Stresemann's statement appears to me to be the one quoted above, namely that as soon as Germany shall have entered the League of Nations, the German Government propose to bring up for diplomatic debate the whole question of the execution of the promise contained in Article 431 of the Treaty of Versailles. This would seem to make it desirable to add at least one more problem to those mentioned in my despatch No. 671⁵ of the 10th December last, in which I stated that certain questions would probably become 'Questions d'actualité' as soon as Germany should have entered the League of Nations, in view of the German tendency to raise at once every grievance which appeared logically to demand treatment, a remark which was of course intended to be of general application and not confined to the three particular problems under review in that despatch.

5. The question of the exact meaning of Article 431, applied to facts, is of course a proper subject for legal opinion, and such legal opinion would, in the nature of things, no doubt, be not wholly uninfluenced by the political situation of the moment. To the lay mind it would appear to be difficult to resist the German contention if and when raised before the League of Nations, since by that time the German Government must be supposed to have complied with the stipulations of the Treaty of Versailles both as regards disarmament and reparations. Similarly a continued occupation could not, it would seem, be based on the failure of Germany properly to carry out the trial of war criminals, inasmuch as the Allies, by tacit consent, have dropped the matter. The only question which remains would appear to be that of the inadequate compensation offered to German citizens for the confiscation of their property by the Allies, but it is to be presumed that it would be difficult to base the occupation of German territory on the fact that the treatment of German citizens by their own Government has not been as generous as it should have been. In short the action which Dr Stresemann foreshadows after the entry of Germany into the League of Nations raises a very awkward question, the scope of which is outside the limits of the concessions which M. Briand has hitherto stated that he might be prepared to discuss, and it is therefore good that His Majesty's Government should have had ample warning of this possible danger.⁶

I have, &c.,
JOSEPH ADDISON

⁵ See Volume I, No. 141.

⁶ Sir A. Chamberlain's appreciation was expressed to Mr. Addison in Foreign Office despatch No. 1060 to Berlin of August 17, which also transmitted a copy of No. 153, with a special reference to the last sentence of paragraph 17 thereof.

ENCLOSURE IN No. 93

FOREIGN AFFAIRS COMMITTEE, *Saturday, the 26th of June, 1926.*
10 a.m. in Room 31 of the Reichstag

Translation

1. The German-Swedish Treaty of Commerce and Navigation⁷ was handed over without discussion to the Standing Committee on Commercial Policy.

2. In reply to the question of Deputy *Stöcker* (Comm.) as to when the proposal concerning Germany's participation in the Washington Agreement⁸ comes before the Reichstag, the Minister for Foreign Affairs, *Dr Stresemann*, stated that, in view of the unsettled situation in China, he had purposely not yet approached the Reichstag with this proposal, in order that Germany's assent to this agreement should be withheld until the situation was clearer. The Chinese Government had been informed that the proposal would be laid before the Reichstag.

3. Wilson Agreement of the 16th of June, 1919 (Declaration by Wilson, Clemenceau, Lloyd George).⁹

After introductory remarks by Deputy *Hergt* (D[eutsche] N[ationale]) *Dr Breitscheid* (Soc.), *Dauch* (D[eutsche] V[olks]p[artei]), *Dr Haas* (Zentrum), *Stöcker* (Comm.), the Minister for Foreign Affairs *Dr Stresemann* rose to make the following statement: "Ladies and Gentlemen. The President has expressed the desire to know the position taken by the German Government with regard to the agreement which was made at the time between Messrs Wilson, Clemenceau and Lloyd George, and which became known to the public through Lloyd George's speech on the 3rd of July, 1919, in the British House of Commons.¹¹ The arrangements made at that time were again brought before the public eye by the debate in the British House of Commons in which the member, *Ponsonby*, put questions regarding this matter to [*sic*] two other Members of the House of Commons, in reply to which, however, the British Minister for Foreign Affairs gave a very offhand answer, to the effect that he could hardly imagine a less suitable moment to be questioned on this matter than this particular time.¹² This declaration was regarded at that time as a disinclination for this "Agreement" which had been made by the leading men of that time, and as a relegation of this declaration to a secondary sphere of interest! I cannot agree with such a point of view. I can well imagine that a diplomatic action has been begun

⁷ This treaty, with protocols, signed at Berlin on May 14, 1926, is printed in *British and Foreign State Papers*, vol. 124, pp. 741-64.

⁸ The reference is presumably to the Nine-Power treaty regarding China printed as item No. 11 in Cmd. 1627 of 1922.

⁹ This declaration by the then President of the United States, the President of the French Council of Ministers, and the British Prime Minister is printed in Cmd. 240 of 1919.

¹⁰ Punctuation as in original. There is no closing inverted comma to this quotation.

¹¹ See *Parl. Debs.*, 5th ser., H. of C., vol. 117, col. 1225.

¹² See *op. cit.*, vol. 194, cols. 1186-8, for questions by Mr. *Ponsonby*, Lieut.-Commander *Kenworthy*, and Colonel *Wedgwood* and replies by Sir A. Chamberlain on April 21, 1926.

between English and French concerning evacuation of the Rhineland, and that a debate at this moment in which he might have to state his point of view, would therefore be extraordinarily undesirable for him. I only arrived at this opinion later, in consideration of information which has reached me in the meantime.

As regards the question of the "trumps", which work in favour of early evacuation, I cannot consider it right from the point of view of the Ministry for Foreign Affairs, if we were to rely primarily on the declaration which Lloyd George made. With regard to the suggestion that a popular movement in the Rhineland might be started, I have emphatically deprecated reliance on this weak card. In a public discussion it is to be supposed that we could probably be relegated to the formal judicial plane, i.e. to Chamberlain's declaration, that we could not consider a legal claim to exist, because the Allied Powers only intended thereby to come to an agreement between themselves and that if this had not yet been reached, it was only a declaration of the Allies between themselves, and not an obligation undertaken vis-à-vis Germany. In the French Chamber the French Minister-President made statements which again referred to my statement made before the students at the Liberation Ceremony in Cologne;¹³ they refer to the execution of Article 431 of the Treaty of Versailles. This article was first quoted by us in the discussions which took place with us in Locarno, and this introduction of Article 431 of the Treaty of Versailles came at that time as a surprise to Chamberlain and Briand; but they, when they had taken note of the wording of the article...¹⁴ (interruptions)...¹⁴ but everyone now and then has to examine the text of a clause of the treaty—I repeat, when they had noted the wording of the article they did not contradict the point of view represented by us, that as soon as the question of the Inter Allied Military Commission of Control had been cleared up, the question of the evacuation must be settled for us also. In German circles opinions differed greatly as to whether we should refer to Article 431. I was not of opinion that we should already regard the Treaty of Versailles as representing a Magna Charta for Germany. I was urgently warned and the objection was made to me that if we refer to this article, the complete fulfilment of the Dawes obligations will be demanded from us first. Article 431 states: "If before the expiration of 15 years, Germany has fulfilled all obligations which accrue to her from the present Treaty, the occupation troops will be withdrawn immediately". I believe that it admits of no doubt that the fulfilment of the obligations is not meant only after the expiration of the last seven years of our Dawes obligations and after the payment of the last quota of our payments, but that what must be meant is only an expiration of the year in which the fulfilment of our obligations is ensured. We took part in the agreement for the solution of the Dawes obligations so

¹³ Cf. Volume I, No. 438, paragraphs 17 and 18. For Dr. Stresemann's speech at Cologne on February 20, 1926, cf. Henry Bernhard *et al.*, *Les Papiers de Stresemann* (Paris, 1932), vol. ii, pp. 293-4. For statements by M. Briand and by M. Fabry, Deputy for Paris, see *Journal Officiel, Débats Parlementaires, Chambre des Députés, Session Ordinaire, Janvier à Février 1926*, pp. 974-8.

¹⁴ Punctuation as in original quotation.

that this question is settled when the pact has been ensured. We will fulfil these obligations. There are two points in the Treaty of Versailles which we have not yet fulfilled, (1) from the standpoint of the disarmament demanded, disarmament is not yet complete; this question will, however, be settled when the Inter Allied Military Mission of Control have left German territory; (2) the surrender of the so-called war criminals. I consider it to be impossible that the allies can still stand firm on this point. Fabry addressed a question to Briand as to his attitude towards the declaration concerning the evacuation of the Ruhr territory on the basis of Article 431. In reply Briand stated:

(M. Briand stated in the French Chamber on the 25th of February, 1926, on the subject of the premature evacuation of the 2nd and 3rd zones of occupation in accordance with article 431 of the Treaty of Versailles:)¹⁵

"M. Fabry, you have just mentioned a speech by Herr Stresemann on the agreements of Locarno. But while you speak of Locarno, I would like you not to forget the Treaty of Versailles. The document with which we have striven for something which I would like to call a work of peace,—and I hope to prove that such it is,—was incomplete in many of its parts. If Herr Stresemann speaks of his hope of seeing the Rhineland evacuated before the expiration of the period fixed, he is only interpreting the Treaty of Versailles. You cannot prevent him from giving expression to this hope, or only if you have forgotten Article 431. This article is not in the Treaty of Locarno but in the Treaty of Versailles, and runs as follows: 'If, before the expiration of 15 years, Germany satisfies all the obligations incumbent upon her through the present Treaty, the occupation forces will be withdrawn immediately'. You cannot prevent the existence of this article, and you cannot prevent Germans from commenting upon it. What I demand is that, if you speak of the Treaty of Locarno, you regard it as such, and that when you make criticisms as you have just done, which refer to an article of the Treaty of Versailles, you refer your criticisms to that Treaty. Herr Stresemann has relied on the Treaty of Versailles and commented on the agreement of Locarno, in that he emphasised the development of a peaceable state of mind between the two countries which at a suitable time would allow a settlement of the difficulties still existing to be secured, and in this manner the military evacuation to be expedited by the simple application of article 431."

This speech was made on the 25th of February, 1926. A better agreement with my point of view could not be found than the sentences: "You can only doubt justice if you forget article 431 of the Treaty of Versailles", and "The simple application of article 431 renders possible for us the withdrawal of our troops." Why in the face of these entirely authentic documents of living statesmen, should we quote contrary opinions uttered in the past by statesmen who are no longer at the head of affairs? Wilson is dead, and the other two are as good as excluded from political life. On the other hand you have the French Minister-President who recognises the thesis that we can base our claims on article 431. Therefore I ask you to agree that we shall rely on these newly ascertained facts.

¹⁵ The bracketed explanatory passage was presumably not spoken by Dr. Stresemann.

I do not need to repeat: we were not behind the question of Ponsonby and Kenworthy. If you had asked us we would perhaps have answered like Chamberlain: it is not a suitable moment. But with regard to the question whether on the basis of these statements of Briand the German Government is in a position to undertake something practical, I would like to add the following: If Briand speaks in this manner concerning article 431, he does not do so without a definite tendency, and I believe that I may say, indeed through information which has come to me, I am persuaded [*sic*] that Briand at that time did much to prepare public opinion in France for the curtailment of the occupation of the Rhineland below the total period foreseen by the Treaty of Versailles. You have probably read statements by French generals which—more or less aggressively—approximated to the assertion that France must extend her belt of fortresses, and which supported this demand by the consideration that if France withdraws her garrison, a new coefficient of insecurity will be created, and a German belt of fortresses will again come into being. I am of the opinion that these and similar speeches which have been made were in this case not made without sounding the Quai d'Orsay. . . .¹⁴ Such liaison does not always exist between different departments in France or even in other countries. . . .¹⁴ But in this case the liaison exists for the purpose stated to me privately, of preparing public opinion in France for this step.

Then a second point. During the very strong representations of the German Government regarding the reduction of the troops, this question which never comes to rest, I have been reproached repeatedly by the English and French that we caused friction with France on account of 5000 troops more or less, while in reality we were debating quite different questions, which made the friction regarding this number of troops appear to be of relatively little importance. In connection with Chamberlain's reply to the question mentioned I may, from information which has reached me, draw the conclusion that the British Government have made it known in Paris that, after Germany's entry into the League of Nations, they do not consider the then existing situation of political co-operation with Germany to be consistent with the continuation of a garrison in the occupied territory, and that such a state of affairs is on the contrary abnormal. If this information is correct, which I do not doubt, I quite understand that Chamberlain is peevish when he has to express himself freely, since this could only be regarded by France as unfriendly in view of the negotiations which have taken place between the two countries. I therefore regard Chamberlain's statement in a different light to that in which others have regarded it. For this action (ostensibly emanating from London) which presupposes that the Locarno agreements are binding settlements, and that we enter the League of Nations, is, I believe, all the more intended in view of the fact that this was already spoken of on the 1st December of last year when we were in London.¹⁶ In conversation with Chamberlain on the subject of the decoration of the room with the portrait of the English representative at the Congress of Vienna in

¹⁶ See Volume I, No. 122.

1818,¹⁷ a favourite idea of his arranged specially for that date, I received a definite hint that this diplomat had supported in the name of England France's liberation from occupation, and that he (Chamberlain) now had the intention of following the same policy with regard to Germany.

If this is the situation I consider that it is only right to reduce to a minimum, as far as possible, in the occupied area, collisions and unpleasantness with the occupation authorities. This principle might be applied, for instance, to the question which led to a vigorous exchange of notes, (in the course of which even England very openly attempted to adopt a strangely dictatorial tone, saying that she did not understand our attitude, in view of the great tasks which were to be performed) i.e. to the question of the illumination of the Niederwald Memorial, that is if the French in truth regarded the illumination of this memorial of victory as a provocation. We have hitherto restricted ourselves to demanding officially the reduction in numbers of the troops of occupation. I have instructed our Ambassador in Paris to point out that this question must now be raised, and I am further of the opinion that we should take action on the basis of Article 431 of the Treaty as soon as we have finished with the Military Inter-allied Commission of Control, this action coinciding with our entry into the League of Nations. Once we are in the Council and the situation, which was foreseen at Locarno, has been brought about, and consolidated by the withdrawal of the Military Commission of Control, the time will have come to bring up for diplomatic debate the whole question of the withdrawal of the troops from the zones still occupied. On this point I am convinced that France will throw other considerations into the balance, considerations of the realisability of the obligations as an overture to fresh agreements for the revision of the Dawes plan. They will demand that we should make concessions to them with regard to the realisability of these obligations, with the object which may be expressed as follows:

"If you will make concessions to me on this point I will make concessions to you in large political matters". Discussion of this matter has been obstructed hitherto by the eternal political crisis in France. The question was to have been last dealt with at Whitsun. I would make this action dependent on our entry into the League of Nations and on the end of military control. In deciding the question as to whether we should first employ diplomatic channels or should come forward publicly, I would consider it of assistance to German policy and to Germany if the question were not pushed too much into the foreground of public opinion and if you would rather restrict yourselves to supporting the government in the question of the reduction of troops, (since the reduction has, as a result of attempted sabotage by the French military, been begun by the withdrawal of 3 regiments only), and if we were to intervene here in order to show that we have not gone to sleep. This

¹⁷ Lord Castlereagh had been British representative at the Congress of Vienna, 1814-15, and the Conference of Aix-la-Chapelle, 1818. For the hanging of his portrait see Sir Charles Petric, *The Life and Letters of the Right Hon. Sir Austen Chamberlain* (London, 1939), vol. ii, pp. 154-5, and *Les Papiers de Stresemann*, *op. cit.*, vol. ii, p. 293.

course might be recommended, but not that of entering into a discussion of the bigger and broader questions, for which the door will be open after our entry into the League of Nations.

President Hergt:

There is nothing to be reported from America on this question?

Minister Dr. Stresemann: No.

After remarks by Deputies Kass (Zentrum), Hoetzsch (Deutsch[e] National[e]), whose scepticism on the interpretation of article 431 was refuted by the statement that his assumption that our fulfilment only dates from the payment of the last annuity under the Dawes obligations, cannot be correct, since these obligations are calculated to cover a period of 30 years whereas the occupation covers at most 15, and after further remarks by Deputy Stöcker (Communist) and Graf Lerchenfeld (Bayerische Volkspartei), Minister *Dr Stresemann* continued: After the statements made in the debate, I should like to say the following: I wished in no way to describe these past agreements as being of no account, but only desired not to push them into the foreground at present, but rather to rely on Briand's declaration. I have naturally no objection to our stating: "That a necessity exists for the curtailment of this obligation of 15 years may be recognized from the fact that, even in the year 1919, mutual declarations were given that as soon as Germany had given proof of her good will the allies would come together for the purpose of making an alteration and a curtailment of the periods of occupation". I would it is true, therefore, as was proposed, refer to this Wilson agreement as an "accessory" but would base my actual claims on Briand's declaration.

Now Deputy Dr Hoetzsch said that Chamberlain had stated that we had not been formally sentenced in the matter but that it was doubtful as to whether the French Government were of the opinion that Germany had fulfilled the Dawes obligations to a degree which would justify the employment in our favour of article 431. I would like to point out in this connection that this opinion has not been contradicted by the two senior statesmen in office in England and France. I would, however, simultaneously add that France naturally wishes to obtain something by this declaration, because the Banque de France has broken down completely as regards the stabilisation of the franc. The Banque de France declared that it would not issue one gold franc, thus making the same mistake which has been made by everyone until the psychological moment arrived and the people realised that it must sacrifice some of its capital. France must at all costs have capital and she intends to undertake an action as regards the realisability of the obligations. She has already undertaken another action on the subject, of which I am unable to say anything at present. She has suggested to us that we might be ready to make large advance payments for 1926 and 1927¹⁸ in exchange for very large discount rates for obligations which would have to be fulfilled in the year 1928. As far as possible this must be acceded to by us in order to achieve a liberation of the Rhineland from the occupation. I consider a

¹⁸ See Volume I, No. 493, note 3.

completion of the liberation from the occupation of such eminent importance, both from a foreign political and home political point of view, that we must, as far as possible, accept this proposal.

It has been pointed out that this affair is in direct contradiction to an alteration of the Dawes agreement. I would refer in this connection to a discussion which I had with Dr Quaatz¹⁹ on the subject of a demand for revision of the Dawes obligations. I was surprised that this agitation had now become stronger, for one cannot simultaneously demand the withdrawal of the troops and at the same time assert that we cannot execute the Dawes payments which, owing to the curious construction of the Dawes plan, are less this year than they were last year, namely: 1,200 millions of marks as against 1,220 millions of marks. We must demand the withdrawal of the troops with all our strength and it is only when that event has taken place that the political moment will have come. I consider it out of the question that the inauguration of an agitation of this kind should be undertaken by us, after having paid 220 millions of marks in the first year and then 1,220 and 1,200 millions of marks and also in consideration of the fact that the highest tension has still to come in the next few years. I am also of the opinion that an alteration of the plan must come, but it would be psychologically wrong to take the initiative in this matter when the others are also itching to achieve an alteration of the Dawes agreement. If they should do so it will not have come from us for they will then in fact have said themselves that these agreements are capable of revision. Then we can say that we also have our wishes. Mr Parker Gilbert's²⁰ statement is important for the bearers of the Dawes plan, when he says: "I have not the intention of being the first of the 'Rapprochement' agents, but I believe that I am the first and the last Reparations agent". It may certainly be said that he is still so young that he may hold the position for a long time to come. He has not this intention, however, for such big positions have been offered him in the United States that he can scarcely remain unnecessarily long in his present position. His ideas tend rather towards the revival of discussion on the whole question at a future conference, and, when the maximum Dawes annuity has been reached, to the placing of the whole matter on a different basis. Efforts must be then made to achieve an alteration, since the amount of this annuity forms the basis for Germany's performances and this alteration must naturally involve the removal of the restrictions of sovereignty which still exist to-day. We, however, should not begin this discussion at an earlier date. The outside world may bring up the question as to whether Germany can fulfil or not. I consider it right to let participation in this discussion come from outside in the course of the next year and of the year after next, or at least to include the participants with the supporters of the revision idea for at least so long as the withdrawal of the troops has not been achieved. Both objects cannot go together, i.e. withdrawal of payment and withdrawal of troops. As regards the military control, the President (of the Committee) had shelved the report

¹⁹ A German National People's Party member of the Reichstag.

²⁰ Mr. Parker Gilbert was Agent General for Reparation Payments.

made by General Pawelsz.²¹ Pawelsz said that we ourselves had not particularly urged the achievement of a rapid settlement since we were of the opinion that in the discussions, thanks to the tenacity of our negotiators, a certain amount had been achieved which could not have been attained without this tenacious work.

The question of investigation is also involved, when you remember my description of the negotiations at Locarno, when a silence which lasted for minutes, reigned, on my raising this problem and how, after tremendous insistence had been laid on the confidential nature of the negotiations, this was eventually sacrificed and how, under the well-known influence, it was determined to postpone this question until Germany should be sitting in the League of Nations, in order that it should be then solved with the co-operation and agreement of Germany herself. To permit this delicate question to crop up now before we are in the League would not be right in view of what Herr Pawelsz has told us. He is of the opinion that we might perhaps easily leave a small commission here a few months longer since, when all was said and done, the whole question boiled down to one of police, and that then the final dissolution should occur in September after the military commission had been reduced to a fraction of its original strength.

Summarising my remarks therefore, I say that I do not underestimate the importance of the declarations made in the so-called Wilson agreement but only desire that, as a basis for our argument, we take article 431 of the Treaty of Versailles, and that, for the present, we agitate in the League for the withdrawal of the troops as the main question and only later await a suggestion for the alteration of the Dawes plan, which will assuredly come from elsewhere, and that we act only when the figures arrive at a level, which we can reasonably assert to be unbearable for Germany. In this connection we do not need to fear repressive measures since, under the Dawes agreement, we have at all times the right of causing Germany's capacity for fulfilment to be re-examined.

²¹ Head of the special commission appointed by the Reichswehrministerium to co-operate with the Inter-Allied Military Commission of Control regarding German disarmament. The reference to General von Pawelsz's report is uncertain.

No. 94

Sir A. Chamberlain to Viscount D'Abernon (Berlin)

No. 86 Telegraphic [C 7980/436/18]

FOREIGN OFFICE, *July 16, 1926, 6.50 p.m.*

The press here has been filled for the last two days with stories of tactless representations made by the Control Commission to the German government on such questions as the position of General von Seeckt,¹ the Reichswehr budget, and training in unauthorised arms. Please report briefly by

¹ General von Seeckt was *Chef der Heeresleitung* (Chief of the Army Command).

telegraph the actual facts of the matter. We imagine that there is nothing more in it than the usual negotiations between the German government and the Control Commission which the Nationalist press have suddenly seized upon for propaganda purposes.

No. 95

The Marquess of Crewe (Paris) to Sir A. Chamberlain
(Received July 19, 8.30 a.m.)

No. 277 *Telegraphic: by bag* [General 199/11]

PARIS, July 16, 1926

The Ambassadors' Conference met this morning under the presidency of M. Jules Cambon.¹ I was present with the Italian and Japanese Ambassadors. The Belgian Ambassador also attended as well as a representative of the United States Embassy. The following questions were considered. . . .²

2. *Withdrawal of the Aeronautical Committee of Guarantee from Germany.*

In accordance with the authority contained in your telegram No. 182³ of July 14th I accepted the following resolution:—

'It is decided that the Committee of Guarantee will be dissolved at the end of the month which follows that of the promulgation of the legislative measures foreshadowed by the Aeronautical Agreement of May 22nd, 1926.'

3. *List of German Aeronautical Material.*

In accordance with the authority contained in your despatch No. 1740 (C. 6680/1134/18) of June 16th,⁴ I accepted the following resolution:—

'It is decided (1) to approve the list of prohibited aeronautical material as it appears in the recommendation of the Committee on the Aeronautical Clauses dated June 21st, 1926, (see my despatch No. 1330⁵ of July 16th).

¹ French Representative on the Conference of Ambassadors.

² The omitted sections related to other matters.

³ Not printed.

⁴ Not printed. This despatch approved a draft list of aeronautical material drawn up by the Air Clauses Committee of the Conference of Ambassadors which was the same as that in note 5 below. The despatch further proposed the means of communicating this list to the German Government which was recommended by the Committee: see note 5 below.

⁵ Not printed. This list read as follows: 'Sont interdits: 1°—Tous les types d'aéronefs interdits conformément à l'accord aéronautique signé à Paris le 22 Mai 1926, ainsi que toutes les parties ou pièces détachées d'aéronefs ayant une forme ou des caractéristiques particulières indiquant qu'elles sont destinées à ces types d'aéronefs. 2°—Tout engin de guerre pouvant être utilisé aux fins d'armement aérien. 3°—Tous les matériels de guerre, militaires ou navals, énumérés sur les listes dressées par la Commission Militaire de Contrôle, qui pourraient être utilisés à bord d'aéronefs.' The Air Clauses Committee further recommended that the Inter-Allied Military Commission of Control should communicate this list, with the other lists, to the German Government, but that 'il y aurait peut être lieu de faire connaître officieusement au Gouvernement allemand, par l'intermédiaire de son Ambassadeur à Paris, que la Commission Militaire de Contrôle a été exceptionnellement

(2)⁶ that in the event of it not being possible to communicate this list to the German government before the withdrawal of the Committee of Guarantee, it will be communicated exceptionally by the Military Control Commission under the conditions foreshadowed in the recommendation of the Committee on Aeronautical clauses mentioned in paragraph (1) above'.

4. *Military Activity of Associations in Germany.*

It was decided, 'under reserve of the British government's approval, to invite the German government

(1) to repeal the decree of May 24th, 1921, relating to the military associations, the dispositions of which are incompatible with the decree of February 12th, 1926;

(2) to make known to the Control Commission with the least possible delay the measures taken by the different German states with a view to assure the putting into operation of the decree of February 12th, 1926, and to supply it with the details of the armament seized amongst the associations and of the manner in which that armament has been disposed of. The attention of the German government will at the same time be drawn to the fact that it is the duty of the Military Control Commission to verify the measures to be taken by it with a view to assure the putting into operation of the decree of February 12th, 1926.'

This resolution was adopted as a result of the Versailles Committee's report of July 3rd (see my despatch No. 1326⁷ of July 16th), with which I now understand the War Office to be in agreement. Both M. Cambon and the Belgian Ambassador emphasized the importance of this question and the urgency of dealing with it promptly.

I should be glad to know as soon as possible whether I may withdraw my reserve.

5. *Illegal recruiting in the German army.*

In accordance with the authority contained in your despatch No. 2032³ of July 15th, I accepted this morning the following resolution:—

(1) 'It is decided to inform the German government that the Ambassadors' Conference cannot admit the thesis developed by General von Pawelsz in his letter R.K. No. 376/5/26 of May 17th (see enclosure to my despatch No. 1288⁸ of July 10th) according to which the decree of the Reichspräsident of chargée de faire cette communication pour éviter que le départ du Comité de Garantie d'Allemagne ne puisse être éventuellement retardé, si ce Comité était chargé de cette mission'.

⁶ The following paragraph was subsequently amended in accordance with Paris telegram No. 296 of July 23 to read: '(2) that this list will, as an exceptional instance be communicated to the German Government under the conditions laid down in the opinion of the Air Clauses Committee mentioned in paragraph 1 above'.

⁷ Not printed. The enclosed report, No. 278/1, from the Allied Military Committee of Versailles proposed the action now agreed by the Conference of Ambassadors. This report had been requested by the Conference of Ambassadors on May 27.

⁸ Not printed. This despatch transmitted report No. 279/1 of July 1 from the Allied Military Committee of Versailles, with annexed documents which included a despatch of

May 30th, 1921, and the ministerial circular of May 3rd, 1926, are considered to correspond to the Conference resolution of March 4th, 1926, (see section 7 of my telegram No. 95⁹) and

(2) 'to invite the German government to insert in a law the dispositions necessitated by the above-mentioned resolution. [The text of these dispositions must be established in agreement with the Military Control Commission.]'¹⁰

Since the receipt of your telephone message of this afternoon,¹¹ I have made it clear to the Secretariat General that this morning's decision must be subject to my reserve. I should be glad of your further instructions with the least possible delay.¹²

6. *Draft ordinance of the Rhineland Commission respecting the execution of the German aeronautical agreements.*

(1) It was decided under my reserve to approve the draft ordinance enclosed in the Rhineland Commission's letter¹³ of July 3rd (see my despatch No. 1328¹⁴ of July 16th) subject to the modification of Article 4 in the sense proposed in the Secretariat-General's note¹⁵ of July 7th (see my despatch No. 1328 and (2) to bring the preceding decision to the notice of the Rhineland Commission.

I should be glad to know if I may withdraw this reserve. . . .²

June 1 from General Walch, President of the Inter-Allied Military Commission of Control in Germany, and General von Pawelsz's letter No. R. K. 376/5.26 of May 17 to General Walch. The opinion of the Allied Military Committee of Versailles was: '1^o—qu'une circulaire Ministérielle ne peut être considérée comme répondant à la Résolution de la C.A. du 4 Mars [see Volume I, No. 322], qui prévoit explicitement l'insertion dans les lois existantes "d'une disposition prévoyant des sanctions contre quiconque organisera ou participera à l'organisation d'une force militaire sous quelque dénomination que ce soit, et non prévue par les lois en vigueur"'.
'2^o—que c'est à tort que le Gouvernement allemand assimile aux Associations les incorporations illégales et la préparation des cadres de complément, et que par suite l'argument du Général von Pawel[s]z tendant à faire état, pour les incorporations illégales, d'un Décret relatif aux Associations ne saurait être retenu.' The Committee thereupon proposed the action now approved by the Conference of Ambassadors.

⁹ See Volume I, No. 322: cf. note 8 above.
¹⁰ The preceding sentence was added to the filed copy of this telegram in accordance with a request in Paris telegram No. 284 of July 19.
¹¹ i.e. Foreign Office telegram No. 184 to Paris, not printed.
¹² Lord Crewe was informed in Foreign Office telegram No. 190 to Paris of July 21 that he might withdraw his reservation to this decision.

¹³ Not printed. The draft ordinance corresponded generally with Ordinance 309 of the Inter-Allied High Commission, dated August 17, 1926, and printed in *Official Gazette of the Inter-Allied High Commission*, January–September 1926, pp. 2–11, except that the draft ordinance did not include article 4 of the final text and article IV of the draft ordinance, amended as noted in note 15 below, became article 5 of the final text, thus altering 166 subsequent article numbers.

¹⁴ Not preserved in Foreign Office archives.

¹⁵ Not printed. The amendment proposed was the same as the final text of article 5 of Ordinance 309 (see note 13 above), except that the text proposed by the Secretariat-General began 'aucune autorisation de survol ne sera accordée: 1) aux militaires de la Reichswehr et de la Marine autorisés à piloter,' &c.

No. 96

Sir A. Chamberlain to Sir R. Hodgson (Moscow)

No. 540 [N 3210/2017/38]

FOREIGN OFFICE, *July 16, 1926*

Sir,

I have received your despatch No. 468¹ of July 2nd, and approve the language which you held to M. Chicherin in protesting against the attempts of agents of the State Political Department to interfere with H.M. Consulate at Vladivostok.

I gather, however, that when you spoke to M. Chicherin you were unaware of the efforts of those agents to obtain from Mr. Paton's typist information regarding the Consulate safes and keys. If, as I suppose to be the case, you have not specifically mentioned this incident to M. Chicherin, you should take an early opportunity of speaking to him again and informing him how gravely H.M. Government must regard such action by Soviet authorities or officials.²

I am, &c.,

(For the Secretary of State)

MICHAEL PALAIRET

¹ No. 79.

² Sir R. Hodgson reported on August 27, in Moscow despatch No. 616, that he had spoken as instructed to M. Litvinov, Vice-Commissar for Foreign Affairs, in the absence of M. Chicherin, and that 'M. Litvinov promised that the matter would be given proper attention and showed no desire to minimise the unpleasant nature of the incident'.

No. 97

Viscount D'Aberton (Berlin) to Sir A. Chamberlain (Received July 18, 5 p.m.)

No. 195 Telegraphic [C 7987/436/18]

BERLIN, *July 18, 1926, 2.25 p.m.*

Your telegram No. 86.¹

The facts are precisely those that you suppose. General Wauchope informs me that no note of any special character has been sent by Commission of Control to German government recently—correspondence has been limited to current affairs and pending questions.²

¹ No. 94.

² The reference was evidently to notes of July 2 to the German Government, copies of which were transmitted in General Wauchope's notes No. 58 for the War Office (untraced in Foreign Office archives): see, however, No. 104, note 3. In his notes No. 59 of July 22 General Wauchope further stated: 'The draft of a letter from this Commission to General von Pawelsz included a proposal that a number of further visits of inspection should be made to certain Military Establishments which were not visited during the General Inspection of 1924. I at once informed General Walch that under present conditions I would not consent to any such visits, nor would I associate the members of the British Delegation in any letter from the Commission to the German Government which envisaged such visits.'

The press campaign on the subject appears to have originated in the desire of certain circles to show that German government was defending Germany's rights inadequately. But this charge has not been taken up by the most important organs and seems likely to be abandoned.³

General Wauchope has advised the Commission of Control to maintain an attitude of reserve and to avoid incidents likely to disturb public opinion.⁴

I thought it best to take a strong line in this matter at the outset, as by doing so all discussion was avoided. The letter was re-drafted and all suggestion of fresh visits of inspection eliminated.

'After September it may or may not become advisable to make further visits of inspection, but I trust that no visits to any factories or units which were not visited during the General Inspection of 1924 will be necessary; without doubt any such visits would have a very stiffening effect in the attitude of the German Government, and certainly at present further visits of inspection are not necessary.

'I am confident that the principle I put forward, namely, that no visits should be made to units or factories that were not inspected during the General Inspection, is one in which you are in full agreement with me.

'On the other hand it will, I think, be necessary for this Commission to make further investigations regarding the 53 shelters constructed of concrete and appearing to form a fortified line of defence to Königsberg, referred to in the Commission's letter No. 13400 dated July 2nd to the C[omit ] M[ilitaire] A[lli  de] V[ersailles] (Appendix 'A') attached [not printed]. A year ago the Commission only knew of the existence of a small number of these concrete Shelters, and the present increased total now means that it is a question of considerable importance.

'The Germans have done their best to conceal the existence of these Shelters from the knowledge of this Commission, and the Council of Ambassadors have ordered the Commission to make a visit of inspection to this area; see copy of C.M.A.V. letter No. 290/1 dated July 9th (Appendix 'B') attached [not printed]. Before the receipt of this letter General Walch, at my suggestion, asked the German Government for the date of the construction of these concrete buildings; see copy of this Commission's letter No. 13401 dated July 2nd to General von Pawelsz (Appendix 'C') attached [not printed], and the inspection of this area will not now take place until the Germans have replied . . .'

³ General Wauchope commented in his notes No. 59 that 'the press campaign has in no way been condemned or checked by the German Government, and it appears to me that the Government have made use of this campaign to prove to their followers that they maintain that the disarmament of Germany is complete and, consequently, all Control should be ended'.

⁴ Cf. Sir A. Chamberlain's answer on July 21 to a question by Mr. Rennie Smith, Member of Parliament for Penistone, printed in *Parl. Debs., 5th ser., H. of C.*, vol. 198, col. 1198.

No. 98

Memorandum by Viscount Cecil

[W 6887/78/98]

July 18, 1926

You asked me to let you have a note of our grievances against the attitude of the French sailors in the recent discussions at Geneva for possible use in

¹ Sir A. Chamberlain, to whom this memorandum was addressed.

a conversation with M. de Fleuriau. The main grievance is thus put by Admiral Aubrey Smith:—²

‘From the commencement the French delegation spared no pains to exclude all standards of comparison except that of a total tonnage and resolutely prevented the free discussion of any other standards. They so manoeuvred the sub-Committee that the standards of tonnage by classes of warships was declared impossible in spite of its being a standard already in existence, and they further obtained a decision that the division of naval armaments into classes was also impossible.’

The Admiral also says:—

‘The French have lost no opportunity of prolonging the proceedings and avoiding the taking of practical decisions . . .⁴ how much this is due to the logical Latin mentality and how much to some ulterior motive it is impossible to say.’⁵

² In a report of July 13 on the proceedings of Subcommission A until its adjournment on July 6. The portion of the report preceding the first quotation below stated in particular:

‘At the first meeting of the Sub-Committee A an attempt was made by the British Delegation to create Military, Naval and Air Sub-Committees, so as to expedite the work and limit the discussion; also the proposal was put forward in accordance with the Committee of Imperial Defence report [cf. No. 2, note 2] to confine the debate to practical questions. Both these proposals were opposed by the French who insisted on theoretical discussion. Consequently the work has proceeded on lines which have opened the door to the most far fetched points being raised in connection with armaments and resources. The French have implied frequently that resources are armaments, but at the same time have asserted that trained reserves are not peace armaments and cannot be included in the scope of limitation. Question 1, now concluded, is a definition of armaments together with a list of the factors which have a bearing upon armaments. The definition of armaments decided upon by the Sub-Committee is an unwieldy mass of words complicated and difficult for any one to understand who has not followed the course of the discussion from the commencement. The British Delegation agreed to this definition because it was arranged as a compromise to omit resources from armaments. . . . The report of the Naval Sub-Committee [cf. No. 77] is not, in the opinion of the British Delegation, in keeping with what actually occurred. From the commencement’, etc.

³ The following passage was included between the two quotations: ‘In the course of discussion of Question 3 the point as to whether the various arms should be discussed in combination or separately arose, and in spite of vigorous protest on the part of the British Delegation was carried against them. The lack of unanimity on this important point should convince the Preparatory Commission that it is one requiring serious consideration and which has an important political aspect. The general attitude of the various Delegations may be of interest.— (a) The French have lost, etc.’

⁴ Punctuation as in original quotation.

⁵ The concluding portion of the report stated in particular: ‘(b) The Italians have associated themselves with the French throughout. In private conversation they have openly stated that nothing would be expected from our deliberations, and one of them informed me that the Delegations in general are apprehensive of the Americans and British, whom they suspect of attempting to disarm them whilst retaining their own existing naval armaments undiminished. (c) The Little Entente (Jugo Slavia, Roumania, and Czecho Slovakia) also Poland and Belgium, have almost without exception supported the French point of view . . . (d) Sweden, Holland and South America have maintained a certain independence and treated questions on their merits. (e) Japan has been, if possible, more reticent than usual

From my reading of the Minutes of the Committee I think there is a good deal of justification for this complaint. I should certainly surmise from the attitude of the French and Italian sailors that they would be very glad to destroy the Washington agreement if they could, and I believe that was the impression they made on the American delegation. For a country that will probably have to borrow from the Americans and the British their attitude is certainly very surprising. Further, the language and manner employed by some of the French delegation, notable Captain Deleuze, was almost offensive. On one occasion he described a British proposal as 'inique' though he afterwards explained that he meant inequitable. Further, it has been the practice of the French to mobilise countries like Czecho-Slovakia, Poland and Yugo-Slavia to out-vote on naval questions England, America and Japan. The small countries voting with the French not only had no Navies but were not even represented by a Naval officer at the Conference and, I believe, did not always take the trouble to listen to the discussion before voting.

I should add that no such complaints are made against the French or indeed against anybody else in the Military and Air Sub-Committees.⁶

R. C.

and hardly expressed any opinions. (f) The American Delegation has been most courteous and explained how desirous they are for disarmament to be brought about, but they have adopted a narrow point of view and made continuous reservations whenever a question has arisen which may have a bearing on their interests, no matter how remote. They have, on more than one occasion, refrained from taking part in discussions when they might have been of considerable assistance, and their "We must remain unsullied by the world" attitude has provoked a certain amount of criticism and certainly not inspired their colleagues. Their reservations have been most outspoken however and towards the end of the discussion, they became a little more pronounced and their association with the British Delegation in the Minority Report [cf. No. 77] was most useful. There is but little doubt that they are disappointed in the manner in which the discussions have proceeded. . . . The difficulties which have been encountered are, it is thought, due to the fact that when technical opinions are expressed they are countered by political opinions, and therefore co-ordination is impossible. It is feared that precisely the same difficulties will arise after the adjournment. A considerable amount of time would be saved if it were possible to decide what should be discussed now and what deferred until the ultimate Conference.'

⁶ Sir A. Chamberlain minuted on this paper: 'We are all agreed that for the moment & in the uncertainties of French policy no action should be taken. A. C. 22. 7.'

No. 99

Sir A. Chamberlain to Lord Kilmarnock (Coblentz)

No. 27 Telegraphic [C 7953/968/18]

FOREIGN OFFICE, *July 21, 1926, 9 p.m.*

German Ambassador was instructed to give me tomorrow copy of note¹ handed today to the President of the Interallied Rhineland Commission by the Reichscommissar. This note deals with the incidents at Germersheim

¹ Not printed.

reported in Consul Magowan's despatch No. 39² of July 14th, amplifying and confirming them except that there is no confirmation of report that the Commander of the troops has expressed regret.

If the facts are correct or even approximately correct, the conduct of the troops is inexcusable and I trust that Monsieur Tirard³ will take the initiative in securing that proper regret is expressed and the necessary action taken.

I have of course reserved my opinion as to the truth or otherwise of the facts alleged but if true we must be absolutely dissociated from such an outrage and I cannot doubt that French authorities will be equally determined to clear the good name of France.

Repeated to Paris No. 191 by bag and Berlin No. 87.

² Not printed. This despatch reported that it appeared from German press reports that the war veterans association of Germersheim 'held a ceremony and procession on the 3rd and 4th July in celebration of the jubilee of the consecration of its banner. It is alleged that French officers removed flags which were flown from the houses in which they were billeted, and that the solemn ceremony of laying wreaths at the monument to fallen soldiers, while a funeral march was played, was interrupted by the comments and noisy conduct of French non-commissioned officers, who stood smoking and talking near the monument, and obstructed the passage of the delegates to the plinth. It is also alleged that a procession formed in the town by the association was cut into and disorganised by a number of French soldiers marching in groups of twenty, some of them carrying French flags.'

³ President of, and French Representative on, the Inter-Allied Rhineland High Commission.

No. 100

Sir A. Chamberlain to Viscount D'Abernon (Berlin)

No. 935 [C 8206/436/18]

FOREIGN OFFICE, July 22, 1926

I have to inform your Lordship that the German Ambassador called on Mr. Lampson on the 15th July with the object of discussing matters of general interest between this country and Germany in order, as he put it, 'to clear up his desk' before he left London on leave at the end of the month. The discussion ranged over various subjects. After referring to certain small points in connection with the Anglo-German Mixed Arbitral Tribunal, M. Sthamer said that there were two questions on which he was sorry we have not been able to meet him. The first was in connection with the protocol attached to the Anglo-German Commercial Treaty;¹ the second concerned the release of the property of ex-German diplomats who had not been serving in this country at the outbreak of the war. He did not seek to reopen these questions, but merely expressed regret that we had not been able to modify our attitude. Mr. Lampson replied that both questions had been very thoroughly considered, but it had proved quite impossible to meet the wishes of the German Government as regards either of them. M. Sthamer could, however, rest assured that both matters had been studied with the greatest care, and our decision only reached after the fullest consideration.

¹ See No. 51.

2. M. Sthamer then referred to the question of Germany's entry into the League of Nations in September next. He presumed he might take it that that was, to all intents and purposes, a *fait accompli*. Mr. Lampson said that, humanly speaking, he thought that was so. A German observer had been present at the discussions in Geneva when the question of the reconstitution of the Council had been considered, and the German Government thus knew exactly how the matter stood. They also knew, from what had been said here in Parliament and elsewhere, that it was an axiom of British policy that Germany should be elected a permanent member of the Council, and that there should be no other additions to the permanent seats. We all regretted the difficulties and heartburnings to which this question had given rise, and it was the greatest pity that certain Powers had felt their position so keenly that they might conceivably withdraw from the Council. But there was still time before September for developments, and Germany presumably desired, just as much as we in this country, that some way out might be found in the interval. The Ambassador could rest assured that, whatever happened, it remained axiomatic with us that Germany should have a permanent seat.

3. From this the conversation passed to a general discussion of questions outstanding between Germany and this country. The general conclusion reached was that there were really comparatively few, and that the position had immensely improved during the past year or so. Mr. Lampson put it to the Ambassador that it was in Germany's interests to get all such tiresome questions as the outstanding points of military control finally liquidated by September next in order that, when Germany came into the League, we should be in a position to withdraw the Commission of Control forthwith. This drew from M. Sthamer a query as to what the position would be as regards the League scheme of investigation under article 213 of the treaty²—for instance, the question of the 'élément stable' in the Rhineland.³ Mr. Lampson said that remained a question for the future, but the Ambassador was no doubt aware of what had passed in the conversations at Locarno with the heads of the German delegation regarding the League scheme. The position was that at the present moment that scheme was juridically valid, but, once Germany was on the Council, she would no doubt be in a position to raise any questions connected with it that she wished. For instance, she could bring up this question of the 'élément stable.' Here the Ambassador interposed that he had always understood that the British Government took the view that the proposed 'élément stable' in the Rhineland was not covered by the treaty. Mr. Lampson replied that he did not think it opportune to discuss that matter now, but, as a purely personal suggestion—and he emphasised that it was to be taken as nothing else—was it not possible that it might prove to be to Germany's own interests to come to some general arrangement which might cover this question of the 'élément stable'? Mr. Lampson continued that it was only a passing idea that went through his mind, but if that could be part of the general tidying-up that might take

² Of Versailles.

³ Cf. Volume I, No. 205.

place in September, might it not be possible that Germany might find it worth her while to consider again this question of the 'élément stable'? M. Sthamer did not appear unreceptive to this idea. He said that, of course, he had no instructions whatever on the point, but from his general attitude Mr. Lampson gathered that he thought there might be something in the idea. Mr. Lampson was careful to make it perfectly clear that he was speaking entirely on his own responsibility, and he studiously avoided saying anything specific as to the form of general settlement which he had in mind; the question, for instance, of the occupation or of the number of troops in the Rhineland was not even referred to throughout the whole conversation.

I am, &c.,

[(For the Secretary of State)

C. HOWARD SMITH]

No. 101

Sir W. Max Muller (Warsaw) to Sir A. Chamberlain
(Received July 24, 9 a.m.)

No. 100 Telegraphic [N 3428/24/55]

WARSAW, July 23, 1926, 7.5 p.m.

In course of conversation yesterday Minister for Foreign Affairs enquired whether I had noticed passage in his declaration of foreign policy¹ regarding desire of Polish government to cultivate close relations with Great Britain adding that he would have said more had it not been for silly suspicion of British support of Marshal Pilsudski.²

I replied that though I appreciated what he had said, what he³ wanted was deeds and not words. It was all very good for Government to make amiable professions but unfortunately they were belied by obstruction and anti-British attitude of subordinate officials and, in the (? case of the)⁴ Bialowieza forest, of new Minister of Agriculture. I also mentioned the procrastination and deception practised on us in the matter of the import licences⁵ and the

¹ To the Diet Committee of Foreign Affairs on July 21: see *The Times*, July 23, 1926, p. 13, col. c (early editions only). In this speech M. Zaleski stated in particular that the permanent collaboration of Poland in the Council of the League of Nations was essential.

² The reference was to rumours, said to have originated in Moscow, that Sir W. Max Muller had been involved in Marshal Pilsudski's *coup d'état* in May.

³ In another text of the telegram this word read 'we'.

⁴ The bracketed words were added in ink in the filed copy. In 1926 the Century Polish Timber Company secured an amendment of the terms of the concession granted to them by the Polish Government for the exploitation of the Bielowieza and other forests.

⁵ Sir W. Max Muller had on April 8 addressed a note to Count Skrzynski, then Polish Prime Minister and Minister for Foreign Affairs, representing the difficulties for British traders resulting from the abandonment of a system of fixed contingents for each exporting country in favour of a collective contingent for all countries, and from the consequent uncertainties of the new system. Sir William had also urged, without success, to be informed of the exact particulars of the new contingents. Warsaw telegram No. 93 of June 26 had further reported that the Polish Ministry of Foreign Affairs had admitted that Austria and

failure of the Government to take any action to mitigate present attack on my wife and myself (see my private letter to Mr. Gregory of July 21st).⁶ Until I received concrete evidence of a desire to assist us he must excuse me if I attached little importance to public professions of friendship.

Minister for Foreign Affairs who is personally well disposed towards us appeared upset by my remarks and promised to bring my complaint before his colleagues and do his best to do what he could to give me satisfaction but I still consider that action on lines already suggested⁷ is desirable.

Czechoslovakia were receiving preferential treatment in respect of import licences. Subsequently, on July 28, Sir W. Max Muller stated in his despatch No. 398 that M. Zaleski had on the previous day 'seemed to admit that discrimination had been practised against British goods and said that the Ministry of Commerce and Industry was now ready to fix special contingents for the importation from Great Britain of specified classes of goods on the ground that the balance of trade between the two countries was favourable to Poland'.

⁶ Not printed. This letter related to the rumours referred to in note 2 above.

⁷ The reference was probably to proposals in Warsaw despatch No. 339 of June 30 to address to the Polish Government strong representations regarding British contingents (see note 5 above) and to urge on M. Zaleski the importance of a radical revision in the general attitude of the competent Polish authorities towards the legitimate interests of British trade.

No. 102

The Marquess of Crewe (Paris) to Sir A. Chamberlain
(Received July 27, 8.30 a.m.)

No. 298 Telegraphic: by bag [C 8357/24/18]

PARIS, July 26, 1926

My telegram No. 274¹ of July 13th.

2. I have been in constant touch with the Ministry of Foreign Affairs on this question. I have thought it best to let the Franco-German unofficial conversations proceed, as the two governments seem to be very near agreement.

3. I hear this morning that agreement is now complete with regard to the ordinance respecting the police. As regards that respecting the Reichswehr, final agreement is apparently only delayed owing to the absence from Berlin of a German official whose approval is necessary.

4. I understand that everything possible is being done to secure this approval before the end of the month, and that even should it not be obtained, the French are not likely to object to the withdrawal of the Committee of Guarantee at the end of August.

5. It is very desirable that I should have an immediate reply to section 6 of my telegram No. 277² of July 16th respecting the aviation ordinance in the Rhineland. Delay in the receipt of this reply will render more difficult my efforts to dispose of the questions dealt with in the earlier portion of the telegram.³

¹ No. 89.

² No. 95.

³ Lord Crewe was authorized in Foreign Office despatch No. 2160 to Paris of July 29 to approve the draft ordinance of the Inter-Allied Rhineland High Commission.

Memorandum by Sir W. Tyrrell¹

[N 3539/387/38]

FOREIGN OFFICE, July 26, 1926

Foreign Policy in relation to Russia and Japan

At the meeting of the Committee of Imperial Defence on the 22nd July, the Chancellor of the Exchequer called attention to the Russian danger and suggested that the Chiefs of Naval, Army and Air Staffs and the Foreign Office should enquire into the subject and report upon the best way of meeting an ever-threatening menace to civilisation.

I assume as common ground that ever since the Bolshevist régime was established in Russia its activities have been mainly directed against this country, and that in every part of the world we have been met by its persistent and consistent hostility. The reason for this is to be found in the unbridgeable character of the policies of the two countries, our respective aims being diametrically opposed to each other. British policy aims at securing the safety of the Empire and the promotion of its trade, upon which its life and prosperity are based. For this purpose we are working everywhere for peace and settlement, with a view to achieve a return to normal economic conditions. Russian policy, on the other hand, aims at the establishment of communism, which it can only achieve by the destruction of the present order of things. To promote this revolution it aims at fomenting disturbance and disorder everywhere. Its chief weapon is a ruthless propaganda all over the world, which everywhere assumes an anti-British character, not only because we are a world-wide Empire, but because our overthrow is the chief aim and object of Moscow.

In the Far East we have a Bolshevist Russia, pursuing the same aims as the Czarist Russia, the main difference being that the Bolsheviks are far more efficient and unscrupulous in the pursuit of that policy than their predecessors ever were. The obvious counter measure would be the resurrection of the Anglo-Japanese alliance,² which was largely due to the policy of Imperial Russia against China. The difficulties, however, of effecting such a resurrection are great, and may be briefly summarised as follows:—

1. It is easier to denounce than to renew an alliance. I understand that we denounced it mainly to please America, and I believe that to a certain extent we benefited by its denunciation. The two factors which have produced a considerable change in popular feeling towards us in the

¹ This memorandum was circulated to the Cabinet.

² The Anglo-Japanese alliance, as embodied in treaties of 1902, 1905, and 1911 (printed respectively in *British and Foreign State Papers*, vol. 95, pp. 83–84, vol. 98, pp. 136–8, and vol. 104, pp. 173–4) had terminated upon the ratification, on August 17, 1923, of the Four-Power treaty signed at Washington on December 13, 1921, between the United States, the British Empire, France, and Japan (printed *op. cit.*, vol. 116, pp. 627–30).

United States are said to be the lapse of our alliance with Japan and our treaty with Ireland.³

2. Conditions have altered considerably in Japan, where the rise of industrialism has produced a more democratic and anti-militarist spirit, which has induced successive Japanese Governments to display a more friendly attitude towards Bolshevist Russia than they ever did towards Czarism. This new spirit would, I fear, considerably hamper any Japanese Government if it were to renew an alliance with us for the purpose of combating Bolshevism. This new spirit has also, I believe, considerably modified Japanese policy *vis-à-vis* of China. It no longer aims at the absorption of Manchuria by military means, but rather contemplates the economic penetration of China.
3. This new orientation in Japanese policy may lead to a divergence of views between us and the Japanese in our respective attitudes towards China, and thus create a further obstacle to a renewal of the old alliance.

I should therefore consider the prospects of securing Japanese assistance by means of an alliance as so problematical as to be hardly worth the attempt, but we should maintain our present policy of cultivating the friendliest relations with Japan as far as may be compatible with the promotion of British interests.

I therefore fully share the Chancellor of the Exchequer's dislike of an alarmist policy with regard to Japan, and fully endorse Lord Salisbury's⁴ recommendation in favour of common action with her against Russian aggression and his regret at the adoption of any policy which did not allow us to look upon her as a friend. I have no hesitation in stating that our policy should be based upon the assumption that Russia is the enemy and not Japan. The most we have to dread from the latter is commercial rivalry.

It seems to me that the revival of the nationalist spirit in China is the best guarantee we have against Russia, and we should therefore continue to display our sympathy with China by persuading her of the sincerity of our aspirations as shown in our tariff negotiations.⁵

The next field for Russian Bolshevik attack is to be found in Europe, and when the Foreign Office is asked for recommendations to combat it in Europe, the answer is that we look upon the policy embodied in the Locarno treaties as laying the foundations for a settlement of continental conditions which offers the best prospects for our most effective protection against the common danger from the East.

What is the aim and object of the Locarno policy? It is, as far as I understand it, to reconcile Germany and France, and, above all, Poland and Germany. I say 'above all' the latter, because until the relations between them are re-established, the wound in Europe cannot heal, and we shall fail to get peace and settlement on the Continent, which are so vital for the resumption of our trade.

³ The treaty of December 6, 1921, regarding the government of the Irish Free State is printed *ibid.*, pp. 87-91.

⁴ Lord Salisbury was Lord Privy Seal.

⁵ Cf. the Appendix, pp. 951-2.

From the moment we declared at Locarno that as regards the frontier of the Rhine we came as contributors, a settlement of that vexed question took place almost automatically, since the British guarantee was bound to make an irresistible appeal to both Germany and France. But the greatest achievement at Locarno was the treaty signed between Germany and Poland, for which no British guarantee was available.

Thereby we started a gradual reconciliation of France, Germany and Poland, with the approval and support of Italy and Central Europe, and thereby we hope to tempt both Germany and Poland to look to the West and resist whatever tempting offers Russia may make in order to break up the European family.

In view of the Russian danger, it was therefore unfortunate that the dispute in connection with seats in the Council of the League of Nations gave a temporary set-back to the development of the Locarno policy. One of its results was the conclusion of the recent Russo-German treaty, which Germany concluded but reluctantly, largely under the pressure of the Junker party.

If I may venture upon an estimate of the distribution of parties in Germany, I should say that there is a strong and active minority which realises the folly of the war and is determined not to repeat such folly. On the other hand, there is a violent minority that has learned nothing, and is quite ready to repeat the crime of 1914, provided it possesses the means to do so. The latter cherishes the mirage of a friendly Russia that would promote its aims. Between these two parties there is a floating mass which it is our interest to win over [? to] the side of the sane minority that is struggling to reconstruct a new Germany.

Likewise in Poland there is a conviction growing that she cannot face two enemies; that she must choose between East and West; and that her best choice is to look to the West by the promotion of sound relations with her German neighbour. Here again it should be our policy to encourage and promote in every way the present régime at Warsaw, which professes such aims.

I hope I may have succeeded in this very brief and imperfect account I have given of our European policy—as expressed and embodied in the Locarno Treaty—in proving that if we can persuade France, Germany, Italy and Poland to continue to co-operate in giving effect to our Locarno policy, we shall have provided ourselves with the best and most effective protection against the common Russian danger.

There are two factors in the present continental situation which are working in favour of our policy:—

1. The very serious economic situation which demands peremptorily the adoption of a sane foreign policy aiming at the stabilisation of European conditions; and
2. The very happy personal relations which at present exist between this country and the leading men abroad, such as M. Briand, M. Mussolini, Herr Stresemann and Count Skrzynski.

I venture to say that the importance of these personal relations in the shaping of foreign policy cannot be exaggerated and offer[s] the most solid guarantee for the success of our policy.

I have purposely omitted any reference to warlike measures against Russia because they are mainly the concern of the Chiefs of the General Staffs, but the view of this Office on the subject is that war is not practical politics owing to the absence of means to go to war and a strong determination in the country against warlike operations. I may add that there is also a continental opinion strongly opposed to a campaign against Russia.

It is therefore to diplomacy that we have to look for the most practical and effective weapon to oppose Bolshevism, and in this choice we can reasonably rely upon the cordial co-operation of the most important continental Governments as at present constituted in Europe, provided we persevere steadily and impartially in the pursuit of the policy, the foundations of which were laid at Locarno, based as it is upon mutual self-interest and sanity—two very powerful factors in the regulation of human relations.

W. T.

No. 104

Record by Mr. Lampson of a conversation with the German Ambassador
[C 8453/436/18]

FOREIGN OFFICE, July 26, 1926

The German Ambassador called this afternoon and said he was instructed by his government to refer to the supplementary answer returned to Mr. Rennie Smith in the House of Commons by the Secretary of State on July 21st.¹ The German government were seriously perturbed that His Majesty's Government should have declared publicly that the condition of disarmament in Germany was not satisfactory.

I interrupted to say that I thought His Excellency would do well before he made any reply to his government to wait until he had seen the answer to a later question by Mr. Thurtle given in the House of Commons this afternoon.² The answer I then proceeded to read to him.

The Ambassador, no doubt speaking on the brief telegraphed to him by his government, then went on to make a grievance of the answer to Mr. Rennie Smith on July 21, and I had to pull him up as politely as I could, saying that whatever meaning might have been read into that answer in Germany was not our affair. The answer was absolutely correct. Mr. Rennie Smith

¹ See No. 97, note 4. For conversations on July 23 and August 4 regarding this answer between Lord D'Abernon and Herr von Schubert, of which no record has been traced in Foreign Office archives, see *Akten zur deutschen auswärtigen Politik 1918-1945*, Series B, vol. i, part 1, No. 283 and note 7 thereto. For Dr. Sthamer's account of the present conversation v. *ibid.*, note 6.

² See *Parl. Debs.*, 5th ser., *H. of C.*, vol. 198, cols. 1689-90. The answer stated in particular: 'there are still a certain number of points—mostly, I am happy to say, of a minor nature—which are not yet settled.'

had asked whether he might take it that the condition of disarmament in Germany was 'entirely satisfactory'—phrased in that way only a negative answer had been possible, for it was beyond dispute that the present condition of disarmament was not *entirely* satisfactory. I did not imagine that the Ambassador wished to enter upon a technical discussion of the points of disarmament still outstanding; I certainly would feel great diffidence in embarking on anything of the kind; but I could give him the headings of the points which, according to our military experts, were in fact still outstanding. Quoting from the War Office statement of July 22nd (C 8243)³ I said that the most important of these were illegal enlistments, police effectives, the General Staff, import and export of war material, the High Command, and associations.

The Ambassador was inclined to argue that all these points were fresh ground and not covered by the agreement come to with the Germans in Paris in November last. I said that there I must absolutely disagree. Far from opening fresh ground, what we were endeavouring to do was to see that the Germans acted up to the engagements which they had, as he said, given us in Paris in November last.

The Ambassador next was disposed to argue that our action in pressing these points was illogical for at Geneva in March last the First Committee of the Assembly over which the Secretary of State himself had presided, had given Germany a clean bill in the matter of disarmament.⁴ I said that again he must forgive me for correcting him but he really was misquoting what had taken place. What had happened was this: the First Committee had duly taken note of a declaration by the Ambassadors' Conference that the German government were giving effective guarantees 'of their sincere *intention*' of observing their international obligations as regarded disarmament. Now without wishing to split hairs, there was a substantial difference between an intention to execute and actual execution. But I would much rather that he and I should not get drawn on to this line of discussion. If I might offer a word of advice, it was that before answering his government's telegram he

³ Not printed. The statement was to the effect that armaments questions were in a satisfactory state but that progress was very slow in respect of effectives. As regards the most important items under discussion, the position was as follows: (a) Illegal enlistments, as in No. 95; (b) Police, as in No. 85; (c) General Staff; 'The German Government has only given satisfaction on two out of the six points arising out of the question of the re-organisation of the General Staff: and at the same time has not accepted the decision taken by the Conference of Ambassadors regarding the training of staff officers': see Volume I, Nos. 317 and 322; (d) War Material, as in No. 111; (e) High Command, see Volume I, No. 427; (f) Associations, as in No. 95.

The War Office statement concluded: 'Questions (a), (c), (e) and (f) formed the subject matter of four of the six notes from the I[nter-] A[llied] M[ilitary] C[ommission of] C[ontrol] to the German Government, which gave rise to the recent German press campaign against the commission. The other two notes referred to "training in unauthorised weapons" and "recent fortifications at Königsberg"—these two questions are not considered as of much importance. All these notes were, as has been pointed out by Lord D'Abernon and General Wauchope, normal communications dealing with the execution of the Allied demands made in June 1925.'

⁴ See Volume I, Nos. 323, 328, and 332.

should wait to see to-morrow's Hansard in which the reply given to Mr. Thurtle to-day would be quoted. Possibly there might even be supplementaries, though naturally I was unaware of their purport. But from the substantive reply his government would see that we did not, as a matter of fact, attach exaggerated importance to the outstanding points that still remained to be fulfilled by Germany. Finally I said that I would repeat to His Excellency the appeal which I had made to him a few days ago;⁵ it seemed really ridiculous that as Germany had proceeded so far in the matter of disarmament she should now be making difficulties over its final liquidation. We here devoutly hoped that by September all these troublesome questions would have been wiped off the slate and that Germany would come to Geneva fully qualified to ask and to receive the withdrawal of inter-allied control. His Excellency was leaving for Germany in a few days; might I beg him to urge the worldly wisdom of such a line upon his government? The Ambassador said that he was in fact leaving for Germany on Sunday next⁶ and he would of course have to talk over all these matters with his government, but it did seem to him that it was always Germany who was being asked to give way, for what we were asking for now the German government did not regard as being covered by the agreement come to with us at Paris in November last. I replied that I was afraid that if he took that line our conversation would have no end, for apparently we took totally different views of the interpretation to be placed upon the points agreed to in November. I could only hope that the German government would adopt what I had just alluded to as a policy of worldly wisdom. In any case any perturbation which they might have felt at the reply returned to Mr. Rennie Smith on July 21st—a reply which I again emphasised was absolutely correct and above challenge—would be set at rest by the reply which was being given to Mr. Thurtle to-day.

M. W. LAMPSON

⁵ See No. 100.

⁶ August 1, 1926.

No. 105

Mr. Dodd¹ (Prague) to Sir A. Chamberlain (Received August 3)

*No. 227 [C 8579/83/12]**

PRAGUE, July 27, 1926

Sir,

With reference to Sir George Clerk's despatch No. 220² of the 21st instant, and especially paragraph 5 thereof, I have the honour to report that a national congress of representatives of the German Farmers' Union, held at Prague on the 22nd instant, approved the policy of co-operation with the Czech *bourgeois* parties adopted by the leaders of the party, and accorded to the latter full liberty of action for the future; the congress passed a vote of thanks to Professor Dr. Spina, chairman of the party club, for his leadership of the party.

¹ First Secretary in H.M. Legation at Prague.

² Not printed.

2. The lines on which Dr. Spina has proceeded and intends to proceed were expounded by him recently in a speech delivered before a local meeting of the party, and I have the honour to enclose herein a translation of the most significant passage of it.³

3. The speech reveals a statesmanlike outlook; its moderation must inspire hope in all friends of Czechoslovakia. Dr. Spina is aware of the difficulties on both sides. The resistance to his policy with which he has to reckon from the extreme Nationalist wing in the German camp is illustrated by the fact that the 'Bohemia', the German Nationalist organ, published no report of the speech. The Czech Nationalist press observes that if Dr. Spina hopes to change the Czech national State into a multi-national State, his hopes will find no fulfilment. And, indeed, it should not be concluded that if the German *bourgeois* have associated themselves with their Czech fellows, they have thereby abandoned any of their national aspirations. The conception of the proper solution of the minority problem advocated by the Brazilian delegate at Geneva at a meeting of the Council of the League of Nations on the 9th December last⁴ finds no acceptance in minority circles here. But Dr. Spina and his following consider that the Czechoslovak Constitution, if loyally interpreted, gives room for the legitimate national life of the minorities, and they believe that these minorities are more likely to win the position which they covet, by active participation in the functions of the State, and thereby asserting their right to recognition as fully Czechoslovak citizens, than by a negative and passive policy of obstruction and abstention. Dr. Spina testified to a growing spirit of accommodation on the Czech side.

4. So far as I am aware, this is the first occasion on which the curtain,

³ Not printed. This translation from the *Prager Presse* of July 24, 1926, stated in particular: 'The co-operation of the Farmers' Union, the Christian Socialists and the German Traders' party with the parties of the Czech *bourgeoisie* has led already to a consideration of the basic problem of the State. If it should come to pass that Germans and Czechs, bound together by economic necessities, show the will to further co-operation with each other, then you will believe that we have laid our finger on the chief problem of the State, on the fatal question—the relation between Czechs and Germans. It is true that this is the first serious step we have made, but the ground has been prepared by extensive negotiations for further progress. We have established joint committees for the consideration in the first place of the tariff question, but none the less for other problems also. It seems to us that one of the most important stages of the internal development of the State has been entered upon during the last month, and that possibilities are showing themselves in the opposite camp which a very short while ago we would have regarded as out of the question. What has actually been forthcoming is a readiness on the other side for a number of concessions in connection with land reform, school organisation and the question of the civil servants. It is the duty of both sides to set aside controversial questions and to clear the way for further co-operation. Such further co-operation in the tasks that face us, and in particular in the matter of reform of taxation, which will occupy us in the autumn and in connection with which we shall have to reckon with the strenuous opposition of the Socialists, has been emphatically called for on our side, and is called for also on the side of the Czechs. The multi-national State is the aim of the activist policy, and if great German parties are thoroughly determined to work together for this end, they can afford to regard with indifference the attacks of their opponents, because the end in question means the conquest of a better position for the whole of the Sudeten-German people.'

⁴ See *League of Nations Official Journal*, February 1926, pp. 139-44.

behind which the compensations demanded by the Germans as the price of their support have been veiled, has been lifted by a responsible hand. The measures put through Parliament with their help in the last session were in themselves sufficient reward for such co-operation. But Dr. Spina is now seizing his opportunity of insisting upon the removal of the principal abuses under which the Germans have been suffering before he pledges his party's votes for the budget, which will come before Parliament in the autumn.

5. In thus accepting the invitation of the Czech Agrarian leader to co-operate, the leader of the German *bourgeois* parties has laid a further stone in the foundation of the inner 'Locarno,' which may mean as much for this country's welfare as the Locarno treaties themselves. The 'Locarno spirit' is awakening here; and it is not only an image of its prototype; it is in fact the logical, historical offspring of the new spirit inspired into international relations at Locarno. The hopes of the Czechoslovak Germans, whether consciously or semi-consciously, were turned towards Germany before Locarno. The treaties signed there took from those hopes the slender foundation on which they rested. Those of the German leaders whose minds had not lost all suppleness through prejudice and hatred, or whose personal material interests did not require them to foment those passions, perceived in which direction the fortune of their minority now lay, and they have now taken that direction. It is the way of loyalty to the Czechoslovak State, and if they only continue in it and can keep and develop the new-found sympathy of the Czechs, the decision of Dr. Spina and his party will surely prove to have been the dawn of a new and happier epoch in the history of this State.

I have, &c.,
CHARLES DODD

No. 106

Sir A. Chamberlain to Sir R. Hodgson (Moscow)

No. 162 Telegraphic [N 3525/53/38]

FOREIGN OFFICE, *July 28, 1926, 12.45 p.m.*

I should be glad to receive by telegraph your comments on the significance of Dzerzhinski's death¹ and Zinovieff's expulsion.²

¹ On July 20, 1926.

² On July 24 from the Political Bureau of the Central Committee of the Russian Communist Party.

No. 107

Sir A. Chamberlain to Viscount D'Abernon (Berlin)

No. 966 [C 8454/446/18]

FOREIGN OFFICE, *July 28, 1926*

My Lord,

The German Ambassador asked for an appointment to-day in order to hand me the attached note dealing with the numbers of the troops of occupa-

tion in the second and third zones.¹ He said that he had asked for the interview thus urgently because a similar communication was being made in Paris this afternoon and I presume also in Brussels, though the Ambassador was unable to confirm this. The Ambassador gave me a brief summary of the note, but I have not found his summaries sufficiently accurate and complete to make it safe to treat them as the exact equivalent of the written communication. I accordingly said that I would read the note; that no doubt it would be necessary for me after reading it to communicate with the French and Belgian Governments before saying anything further. I might, however, mention that, in answering a Parliamentary Question earlier in the afternoon and in endeavouring to remove a misapprehension as to what had passed at Locarno, I had stated that His Majesty's Government stood by the note of the Ambassadors' Conference.²

I had supposed that this was all that the Ambassador would expect at the moment and that he would find it satisfactory. To my surprise he put on his gloomiest aspect and stated that my reply was extremely disappointing. The position of the German Government was insecure; the failure to make good the promise given by the Ambassadors' Conference and by the declarations which had been authorised by the French Government after the failure of our attempt to secure Germany's entry into the League in March³ was unsettling public opinion and might have very serious consequences on the German parliamentary situation. I replied that I too regretted that further progress had not been made. I must, however, remind him that we had carried through a whole series of measures and heaped concession on concession in pursuance of the new policy adopted at Locarno. We too felt legitimate disappointment that these measures had not evoked a readier response from the German Government and people, and that matters which we supposed had been definitely settled by the concessions which we had made when they were removed from the technical authorities to the Ambassadors' Conference still remained incomplete. I had read this morning an account of the interview which he had had with Mr. Lampson yesterday [*sic*].⁴ I did not want to repeat or elaborate what Mr. Lampson had said, but I would ask him to consider seriously whether it was likely to forward our common policy if we bandied reproaches on these matters. We should all do our best first to avoid any new trouble arising, secondly, to settle amicably and without publicity any incidents which did actually occur, and lastly, and above all try to prevent any public agitation arising which would excite public opinion in one country or another before the September meeting of the League. I admitted that I felt a certain anxiety on the subject; it seemed to me that, as that date approached, nerves were showing a certain tension, and there was

¹ For Dr. Sthamer's report on this interview and the German text of the note as embodied in instructions to the German Embassy at Paris see *Akten zur deutschen auswärtigen Politik 1918-1945*, Series B, vol. i, part 1, Nos. 294 and 252 respectively.

² See *Parl. Debs.*, 5th ser., *H. of C.*, vol. 198, col. 2082. The reference was to the Note of November 14, 1925, printed as item No. 3 in Cmd. 2527 of 1925: see Volume I, Chapter I.

³ See the enclosure below.

⁴ The reference was to No. 104.

a danger lest the situation should develop badly and give rise again to the state of feeling which was responsible for the March failure. I myself had never made any secret of my desire to see all these outstanding questions quickly settled and the number of troops in the second and third zones decreased.

The Ambassador refused to be comforted. He said that he could only infer that I was either unwilling to press the French Government to reduce the numbers or had the intention of refusing to carry out the promises which we had made on the ground that Germany had not fulfilled all her obligations.

I replied that he had totally misconceived me and that he was so over-anxious or suspicious that I really hesitated to speak to him with the frankness which I had been wont to use as he seemed always to misinterpret it, and to treat what I offered as a reassurance as if it were a refusal. I repeated that I desired to see the number of the occupying troops reduced as early as possible.

At this the Ambassador grew still more gloomy. He said that he did not suspect me, but he could only infer that I had abandoned hope and that Germany could look for no relief. Was he to understand that I declined to make any representations to the French Government?

I answered that, on the contrary, I had kept this matter constantly before me and had taken the opportunity of every meeting with M. Briand to press it on his attention.

Then, indeed, said the Ambassador, the situation was gloomy, for it would appear that French resistance defeated my efforts. Did I decline to make any further attempt?

I confess that I found the Ambassador's attitude unhelpful. I begged him to have a little more faith in M. Briand whose preoccupation with the internal difficulties of France in recent months had perhaps been due⁵ reason for the lack of progress. I would read his note when translated and would consult the other Governments concerned. Until I had done so, I could not go further, but I added that if the German Government had presented no note either here or in Paris, I should probably myself have addressed a communication to the French Government to-morrow. Whether the communication which I had prepared would be suitable now that this note had been presented, I could not say until I had read the note, but I was desirous of bringing about a reduction in the numbers at the earliest possible moment. My last words lifted the cloud from his Excellency's gloomy face. He smiled pleasantly and remarked that that, without being a pledge, was a message of encouragement which he could deliver to his Government.

I am, &c.,

AUSTEN CHAMBERLAIN

⁵ It is possible that this word, which was included in a handwritten amendment by Sir A. Chamberlain to the draft, should have been transcribed as 'one'.

ENCLOSURE IN No. 107

Translation of Note from Dr. Sthamer to Sir A. Chamberlain
No. A. 1357

GERMAN EMBASSY, LONDON, *July 28, 1926*

On behalf of my Government I have the honour to bring the following to Your Excellency's notice:

In the note from the Ambassadors' Conference of the 14th Nov. last the German Govt. were promised a sensible reduction of the occupying troops. At the end of last Jan. the German Govt. were authorised by the French Govt., acting at the same time in the name of the other occupying powers, to make the following statement in the Reichstag: 'The occupying powers, and France in particular, remain of the opinion expressed repeatedly by them last autumn, *inter alia* in the note from the Ambassadors' Conference dated Nov. 14, 1925. They are ready to examine the details of the problem with the object of reducing the number of the occupying troops in a very brief period to the smallest figure conceivable, so that the state of affairs envisaged in the note from the Conference will be translated into fact as soon as the Treaties of Locarno have entered into force.' This declaration was made in the Reichstag on Jan. 28 last.⁶

The entry of Germany into the League of Nations which had been prescribed for the entry into effect of the work of Locarno not having taken place at the Geneva assembly, the German Govt. were authorised by the French Govt. to make the following statement: 'Monsieur Briand informed us at Geneva that the agreements arrived at between us before our meeting in Geneva shall not be altered, especially as regards the strength of the troops of occupation. The question will be dealt with in future just as if Germany had actually entered the League of Nations. We have meanwhile heard from Paris that the execution of the measures contemplated is in progress.' The Minister for the Occupied Area made this statement in the Reichstag on March 23rd last.

In accordance with these repeated assurances the promised reduction in number of the occupying troops ought to have been carried into effect some time ago. In spite of this the discussions between the govts. concerned have dragged on for fully seven months and not even a beginning has been made to reduce the strength of the occupying troops. At the present time there are still in the area remaining under occupation, after the evacuation of the Cologne zone, five to eight thousand more troops than before. Moreover the giving back of household accommodation, which was promised in conjunction with the reduction of troops, has certainly taken place in individual cases, but the state of affairs as a whole is such that at the present time considerably more quarters are required in the second and third zone than previously.

In these circumstances the German Government feel obliged to request

⁶ See Volume I, No. 216, note 3.

as a matter of urgency that the carrying into effect of the promises made to them may not be further delayed.

I have, &c.,
STHAMER

No. 108

Sir R. Graham (Rome) to Sir A. Chamberlain (Received August 3)

No. 622 [C 8571/77/22]

ROME, July 28, 1926

Sir,

In my despatch No. 631¹ of July 23rd last year I had the honour to submit to you my impressions regarding the internal political situation in Italy. Events since then have shaped the course anticipated. Reviewing the situation to-day, and comparing it with that of a year ago, or indeed with the position at any time since the March on Rome,² the impression is inevitable that a time of spectacular interest has passed, and that a phase of Italian history has definitely closed.

2. Eighteen months ago Signor Mussolini declared his new policy of intransigence, and within a year the political Opposition, largely owing to its own fault, had ceased to exist as an active element in the life of the nation. Signor Zaniboni's attempt to assassinate the Prime Minister³ may be taken as marking its final failure. On his own confession, as reported in my despatch No. 472 [540]⁴ of July 5th, his action was the outcome of despair, of a realization that Signor Mussolini had definitely won his victory. To unprejudiced observers the fact had been evident for some time, but Signor Zaniboni underlined it emphatically.

3. The crumbling of the Opposition has led to a change in atmosphere and in method. The change was symbolized by the passing of Signor Farinacci after the Matteotti trial,⁵ but it had been in evidence for some months previously. Signor Farinacci's way had gone out of fashion before Signor Farinacci himself gave place to Signor Turati. It was no longer necessary. Whether its more blatant manifestations ever were necessary need not be discussed here. Perhaps Signor Farinacci's special virtues were indispensable during a certain period, and the defects of his qualities had to be accepted and discounted. As I have reported, he did not escape criticism and blame from

¹ Not printed.

² i.e. Signor Mussolini's accession to power in October 1922.

³ On November 4, 1925, Signor Zaniboni, a former Unitary Socialist Deputy, had been arrested while preparing to assassinate Signor Mussolini.

⁴ Not printed.

⁵ Signor Matteotti, political secretary of the Unitary Socialist party and a leading member of the Opposition, had been murdered in June 1924. At the trial at Chieti, March 16-24, 1926, of the five men who were accused of this murder, Signor Farinacci appeared for the defence. Signor Farinacci was succeeded as Secretary-General of the Fascist party by Signor Turati on March 31.

his leader, either during his term of office as Secretary General of the Fascist party, or at the end of it. His departure does not necessarily mean that he has gone permanently out of the picture. He may very well re-appear later, though at the moment there is no new field suitable to his energies, which will for some time, presumably, be dedicated to his work as Provincial Secretary of Cremona and editor of his paper the 'Regime Fascista'.

4. Signor Farinacci himself has said that his mission was to 'de-Matteottize Italy', and he must share the credit for this task with the Opposition. The work was done before the trial took place, and the trial itself was an anti-climax. Yet it did, definitely and publicly, mark the close of an abnormal period, and cleared the way for the 'normalization' which I have always believed was in Signor Mussolini's intention.

5. It must be premised that normalization in this sense does not mean a return to what was normal before the March on Rome. New 'norms' have been laid down. But it does mean a restoration to the organs of the State of functions which had been temporarily performed by party leaders or party organisations. It means, eventually if not yet completely, the end of arbitrary violence. It means, roughly, the displacement of the 'ras' or boss by the prefect and the 'podestà',⁶ though no doubt persons of political importance will not be altogether deprived of the influence which at all time, and under all systems, they have found a way to exercise. It means, if the present tendency is maintained, the final liquidation of irregular 'squadristo', or the existence of 'action squads' outside the organization of the National Militia, which had been maintained by Signor Farinacci in spite of the decision that it should be abolished.

6. Normalization means, therefore, a modification of the special conditions prevailing since the Fascist Revolution, and until recently, but it does not at all imply what many people would infer from the word, a restoration of the political liberties and the parliamentary system which form the basis of modern democracy.

7. For Fascism is, definitely, a revolt against certain of the ideas upon which modern democracy has grown up. It is a revolt against 'the immortal principles' and the divine right of parliamentary institutions as evolved since the beginning of the nineteenth century. Though the moment of spectacular interest appears to have passed, there has now set in a period still more interesting, in a different way, to the student of politics. There is too much tendency to overlook this aspect. Anglo-Saxons in particular would seem to have a natural distrust of political theory, which, on the contrary, gives comfort and support to other races who are not satisfied by the empiricism which they consider essentially British.

8. A writer in the July number of 'Foreign Affairs' says: 'Almost everywhere various political connotations are attached to the word "Fascism" which provoke now admiration and now hostility, now emulation and now mistrust, but which inevitably leave little room for cool appraisal. Perhaps we may best clear the ground of preconceptions, if we avoid regarding Fascism as a

⁶ A mayor appointed by royal decree.

new dispensation, as the beginning of a new era in our modern civilization (so it is represented by its best accredited leaders), and take it simply for what it is, as the most recent phase of the struggle to achieve Italian unity (*sic*).⁷

9. I believe this to be an erroneous and short-sighted view of the situation. It may be easier to appreciate the actual material achievements of Fascism during the last four years if we do not irritate our prejudices by an attempt to understand the ideas which inspire Fascist action, and, like the writer quoted, assume Fascism to be something different from what it is. The price suggested for such easier appreciation is too high. I believe it to be important that the aims and ideas of Fascism should be understood. For Fascism is in the course of shaping a definite political experiment. It is planning a new political structure. If we ignore this fact we cannot properly appreciate the situation in Italy to-day, or the possibilities for to-morrow.

10. There are, of course, many Italians, supporters of Fascism or rather of Signor Mussolini, who still consider the present régime merely as a temporary period of 'cure', or training, necessary to restore the body politic to a healthy condition. In due course, they say, after ten or a dozen years, 'everything will be as before'. This argument is often heard in business circles. The idea is, presumably, that after ten or a dozen years the financial and industrial situation will be fully restored, 'the people' and the 'politicians' will have learned their lesson, and authority, therefore, may be relaxed and the old liberties re-established.

11. That Fascism may end in this way is of course possible. But I do not think it likely. Fascism, as understood by the thinking members of the party, means an attempt to replace the traditional Liberal Democratic State by a political structure based on other ideas.

12. The critics of Fascism complain that it is only now, after seizing and exercising power in an arbitrary, unconstitutional and dictatorial manner, that Fascists are attempting to justify their action by enunciating a political theory. The criticism, though partly true, is scarcely valid; for the action that springs from a movement of political thought is apt to precede the formulation of the thought into a theory. But to say that the theory now advanced to explain Fascism has been evolved after the event is to ignore the history of Italian political philosophy during two generations.

13. If Italy accepted 'the immortal principles' and quickly developed a parliamentarism of the most modern kind, it was not long after 1870 that questioning voices began to be raised. And the questionings have continued ever since, urged on by the obvious degeneration of political and parliamentary life.

14. Signor Mussolini himself outlined the main Fascist idea in a speech delivered at the end of October, 1925, in Milan (see my despatch No. 924⁷ of October 30th, 1925). 'Our formula is this: everything within the State, nothing outside the State, nothing against the State.' He argued further that great decisions could not be taken by large assemblies, and insisted upon the

⁷ Not printed. The reference was to Signor Mussolini's speech of October 28, 1925, printed in B. Mussolini, *Discorsi del 1925* (Milan, 1926), pp. 189-97.

necessity of strengthening the executive. But the formula given above calls for a definition of what Fascism means by the State.

15. The theory of the Fascist State has been well summarized by the Minister of Justice, Professor Rocco, but the real prophet of the Fascist philosophy is Professor Giovanni Gentile, first Minister of Education under Signor Mussolini, and Chairman of the Commission for the Reform of the Constitution. His philosophical teaching has had a profound effect upon the younger generation of Italians. The brief résumé which follows is taken, in the main, from declarations by these two men.

16. The doctrine put forward by the intellectual Fascists denies the 'natural right' of the individual as such, and rejects the idea that the State is merely 'the sum-total of the individuals composing it'. For Fascism, on the contrary, the individual is not born with rights, but only acquires them as a functioning member of society, or of the State; and the State is not merely a congeries of individuals, but has a separate and superior 'biological' existence as 'the indefinite series of the generations which have contributed to it in the past, constitute it to-day, and will continue to constitute it in the future'. According to Fascism, 'the whole life of society consists in assuming the individual as a means for social ends', and its watchword is the right of the State and the duty of the individual.

17. Certain conclusions are held to follow from the doctrines given above. Class-war cannot be tolerated. The State must intervene and judge between classes, as it has long done between individuals. That is a necessary corollary of the teaching that the individual exists for the State, and that the State has an existence apart from, and superior to, the individuals and classes included in it. And individuals are not equal, but definitely, essentially, inevitably unequal. Their rights are to depend, not on the mere fact of their birth or on the tale of their years, but on the performance and value of their duty to the State.

18. The ideas embodied in the theory of the Fascist State are not new, and may be traced through a long succession of Italian writers. But the Fascist argument is that the time of their application has now come, in Italy at least, owing to the failure of Democracy and its legitimate if unwanted offspring, Socialism.

19. Signor Mussolini does not claim to have based his actions deliberately upon the theories now enunciated. On the contrary, he expressly disclaims such conscious preparation. He has been, however, an earnest student of De Sanctis, Spaventa⁸ and Gentile, and, as he has said, 'these things were in the air': they certainly affected, or even inspired, his political development and, finally, his initiative.

20. A keen observer has remarked that there was something English in the way Signor Mussolini faced things as they came, without too much preoccupation as to logic or theory, and I believe this to be a shrewd comment. On

⁸ The reference was presumably to the philosophers, Signori Francesco De Sanctis (1817-83), who had been Italian Minister of Education 1861-2, and Bertrando Spaventa (1817-83).

the other hand, he is too complete an Italian not to realize the value, for others if not for himself, of laying a definite foundation of political thought for the régime which he is attempting to develop and establish.

21. This brief sketch has seemed to me desirable, as I believe that the new phase upon which events in Italy have now entered will be devoted to an effort to translate into practical politics the philosophical theory of Fascism.

22. The attempt has begun, with the law establishing Labour Corporations, and here may be the first step towards the application of the Fascist theory of qualitative, as opposed to quantitative, value. For the institution of the Corporations must be regarded not only as a means of doing away with labour troubles by an organisation which is based on compulsory arbitration and prohibits strikes and lock-outs, but also, potentially, as furnishing, when further developed, a new basis for parliamentary representation.

23. This may be looking far ahead. The Corporations Act in its final form is markedly different from the project put forward last year by the Commission presided over by Professor Gentile and known as 'The Solons'. It appears as though considerable time must pass before the Act comes into full working order, although I learn that good progress has been made, and until the organizations are completed, and, perhaps, further developed, they can hardly furnish satisfactory foundations for a new political structure. Change in the basis of political representation is an essential part of the Fascist scheme, and a definite pronouncement of an early intention to legislate on these lines would never surprise me.

24. But, whatever political development may be the outcome, I should say that of all Signor Mussolini's measures this attempt to solve the industrial problem is certainly his pet child. During my last conversation with His Excellency I asked him for explanations on some of its features. He took up the subject with an almost boyish enthusiasm and a volubility which made him decidedly difficult to follow. He cut down from the wall and presented to me a large diagram illustrating his scheme. He declared his conviction that he had put an end once and for all to industrial disputes in Italy. He believed that when capital and labour met at a round table under the presidency of a prefect or some other Government nominee they would almost invariably reach an agreement, and it would not be necessary to have recourse to the higher tribunal for the exercise of its compulsory powers. But, if it were, then such a tribunal, constituted of judges of the Appeal Court assisted by experts, would carry all the weight of high authority and guaranteed impartiality. He added that agreement between labour and capital would be facilitated by the fact that both sides would be of one political faith. If, in the British mines dispute, employers and miners were all Conservatives, a solution would be easier to reach. With this I could only agree; but I objected that our ideas of individual liberty might render the acceptance of compulsory arbitral decisions difficult; moreover, if, at the round table, labour were represented by leaders of the mentality of Mr. Cook, friendly solutions would not be so easy to attain. Signor Mussolini replied that absolute liberty would involve the lynching of a murderer by the relatives of

the murdered man, whereas civilisation recognised that it was preferable to entrust punitive functions to the State. Strikes were a crime against the community and called imperatively for State intervention. As regards Mr. Cook, he added contemptuously, if there were such a leader in Italy, he would long since have been taking an enforced rest cure on some remote island in the Adriatic!

25. Meanwhile the organizing of the Corporations, the establishment of the Podestàs, and the revision of the various codes (Penal, Civil, Commercial, Penal Procedure &c) might be held to justify Signor Mussolini's claim that 1925 [1926] would be Fascism's 'Napoleonic Year', even if no sensational scheme of parliamentary reform is introduced. It was inevitable, of course, that such a term, used by such a man, should have put in a flutter every dovecote where the name of Napoleon still awakes ancestral fears, and has no association beyond those of wars of conquest. But it may be suggested that Signor Mussolini had in mind two things, the sweeping triumph of his government against his political opponents at home, and the lasting achievement of the 'Code Napoléon.'

26. In any event, the various prophets of an Italian descent upon this country or that have so far been confounded by the facts. In this connection I would refer you to what I wrote a year ago (see my despatch already quoted No. 631 of July 23rd, 1925) on the question of Italian foreign policy. I have nothing of importance to add. I still refuse to believe that Signor Mussolini will risk, by embarking on some foolish adventure, the whole of his schemes and efforts for the greatness of his country, especially when he knows her to be wholly unprepared for anything of the kind. There are two danger spots, one his own violent personal reactions to real or imagined slights, the other the inevitably increasing pressure of surplus population.

27. A word should be said here about Signor Mussolini's visit to Tripolitania.⁹ This gesture also caused many fears, and Signor Mussolini's State voyage and visit were apparently regarded as a symbol and pledge of imminent warlike action, in some quarter of the world which was variously specified by various alarmists. Turkey seems to have been specially perturbed, and in the course of a conversation Signor Mussolini remarked that he considered we owed the sudden signature of the Mosul Treaty to his Tripolitan visit and the stir which it made. His Excellency spoke with a smile, but at a later date certain Italian newspapers accused the British press of publishing sensational news of Signor Mussolini's intentions with the express object of frightening the Turks into yielding over Mosul.

28. The real object of the visit was probably two-fold. (1) To draw the attention of Italians to the possibilities of Italy's existing colonies; (2) to remind the world that Italy has need of new fields for emigration, and will not be content with the conditions existing at present.

29. I have written at some length on the emigrant question, at various times,¹⁰ and I have only one point to emphasize here. What makes the problem felt most keenly by Italians is the knowledge that the children of

⁹ From April 11 to 15, 1926: cf. Volume I, No. 449.

¹⁰ Cf. Volume I, No. 488.

Italy sent out to other nations may one day be used to fight against Italy, that her fruitfulness may be turned against herself. The fear, obviously, has reference to France. The increasing Italian immigration into France adds another to the difficulties between the two countries.

30. In the domain of internal politics, as I have said, the time of spectacular occurrences seems to have passed. Attempts are frequently made to emphasize differences between rival sections of the Fascist party, and no doubt these differences exist, and will not lessen as time goes on. Signor Farinacci is quoted as being restive in his comparative retirement, but my information is that his loyalty and devotion to Signor Mussolini remain unshaken, that he has recently given in to his chief on the question of 'squadristo', and that no real trouble need be anticipated from this direction. In any case there is nothing to be feared from dissension within the party so long as Signor Mussolini is alive.

31. Throughout the past year Signor Mussolini has strengthened and consolidated a position already very strong. His personal popularity seems greater than ever, and though certain Fascist methods are no less unpopular than they were, they are less in evidence, with corresponding advantage to the régime. Conditions in Northern and Central Italy seem to remain much as they were. Though there is evidence to indicate that the working-classes of the north are accepting Fascism and the Syndicates with less reserve than was anticipated, I hear from an authoritative source that the workmen in the metallurgical trades are not reconciled to present conditions. In the south the position of the Government is certainly stronger. For the Opposition threw away their cards, and, in addition, the Government has begun, at least, a big programme of very necessary public works. There is hope in the south, and even a certain confidence, that at least its problems may meet with the serious attention so long denied them.

32. To sum up, Fascism enjoys increasing support from the country as a whole, and arouses less resentment among its opponents than it did a year ago. And Signor Mussolini himself commands a 'consent' that is ever more widely spread. Opponents as well as supporters recognize his necessity to the country, and many anti-Fascists say frankly that they would vote for him against any possible alternative.

33. There are two uncertain points in the situation which rather spoil the picture. In the first place, it cannot be forgotten that two attempts have been made against Signor Mussolini's life in the last nine months. The danger of another attempt cannot be excluded, the less so now that the Opposition is defeated and scattered. And the possibility is not lessened by the prospect of financial and industrial crisis, which seems to be envisaged by almost everyone. Signor Mussolini is said to have made provision against the danger of his own sudden demise by a political will, under which he has appointed a triumvirate of Signori Federzoni and Gentile and a General, presumably Marshal Badoglio,¹¹ as his successors. While the shock of Signor

¹¹ Signor Federzoni was Italian Minister of the Interior; Marshal Badoglio was Chief of the General Staff.

Mussolini's death would at one time have been immediately fatal to the régime it is now strong enough to survive. For how long is another matter.

34. For the moment national interest has ceased to centre on the political situation and has turned to financial and industrial problems. These are now the subject of deep and widespread misgiving, although it is difficult to determine how far such misgiving is justified. I believe that the national finances are perfectly sound, but there is certainly a general lack of confidence. I have requested Mr. Carpenter, of the Commercial Department of this Embassy, to prepare me a memorandum on the whole subject¹² and have the honour to enclose it herewith.

35. Mr. Carpenter gives two principal reasons for the fall in the lira. Firstly, the adverse trade balance and secondly, the effect of the depreciation of the French franc. I am not convinced that the balance of trade is worse than was the case before the war. We must take into account an exceptionally favourable tourist traffic during these last years and a substantial increase in invisible exports owing to the development of the Italian Mercantile Marine. As regards the fall in the franc, the impression here is that if this is arrested the lira will at once rise in value. Should the franc precipitate it may be possible to disconnect the lira and to maintain it at a reasonable figure. Should, however, the franc continue on a steady course of depreciation it is bound to drag the lira down with it. This would be a cruel reward to the strenuous and courageous efforts in finance and industry which must be laid to the credit of the present régime. For no measures are being spared; from those of the encouragement of home grown food supplies and a campaign in favour of buying only in home markets down to a ruthless refusal of passports, disconcerting to the many well-to-do Italians who are at this time of the year accustomed to spend the hot months in Swiss hotels or elsewhere abroad. In industry there has certainly been over-production encouraged, it is said, by Signor Mussolini himself, and much difficulty is being experienced in selling the output. A crisis is expected to arise in or about September. Signor Mussolini is reported to view the prospect with equanimity, believing that while some of the smaller concerns must go under the larger ones will not only survive but flourish.

36. Meanwhile, there seems to be no flagging in the attempt to improve conditions in the country by increasing the efficiency of administration, by stimulating agricultural production even at the cost of making bread dearer, and by pushing on public works, especially those connected with irrigation and drainage. Nor should mention be omitted of other efforts, of a different kind, to ameliorate conditions in Italy. These vary widely, from the institution of the *Dopo Lavoro* (After Work) to encourage education and recreation, physical and mental, among working-men in their spare time, to the determined attempt to loosen the stranglehold of Freemasonry on the national life and to uproot and disintegrate the Mafia in Sicily.

37. These endeavours meet with varying measures of success but are all of them marked by definite purpose and, in the case of Freemasonry and the

¹² Not printed.

Mafia, by exceptional courage. The same may be said of the attempts to enforce discipline on an essentially undisciplined nation. Here in Rome, for instance, where the happy-go-lucky methods of traffic were only prevented from being absolutely murderous by the good nature and 'give and take' of the drivers, there is a new, smart traffic police which is doing its best to establish control, and has certainly effected an improvement. They are even trying to compel foot passengers to keep to their left side of the road. It is the same elsewhere. The surprising feature is not that such measures are resented, and a Neapolitan cab-driver was recently heard to remark: 'Questa maledetta disciplina ci ha rovinati! ('This accursed discipline is the ruin of us!'), but that the resentment should not be greater. At any rate, the time is passed when Signor Nitti,¹³ after his utter failure to enforce a daylight saving bill could reproach his countrymen in the following words: 'My great mistake was in naming my measure the bill for the "ora legale". If I had only called it the "ore illegale" it would have been a complete success!'

38. Things are being attempted here to-day with confidence, energy, and already some measure of success, that were never thought of before or never undertaken with any heart owing to the inevitable pre-supposition of failure. There are dragons still in the way, old weaknesses and old scandals that persist, but I do not believe it possible for any experienced and unprejudiced observer to deny that there is a new spirit working strongly in the country, a new faith and a new determination.¹⁴

I have, &c.,
R. GRAHAM

¹³ Signor Nitti had been President of the Italian Council of Ministers from June 1919 to June 1920.

¹⁴ In Foreign Office despatch No. 1360 to Rome of October 7 Sir A. Chamberlain conveyed his 'high appreciation of the very able and interesting summary' in the present despatch.

No. 109

Lord Kilmarnock (Coblenz) to Sir A. Chamberlain (Received July 31)

No. 137 [C 8520/446/18]

COBLENZ, July 28, 1926

Sir,

I have the honour to report that in the course of conversation yesterday M. Tirard told me that he did not anticipate any change in French foreign policy, as a result of M. Poincaré becoming President of the Council.¹ He was convinced that M. Briand would continue to direct the policy at the Quai d'Orsay without interference. M. Poincaré would devote all his energies to his financial tasks and from the very nature of the Cabinet it was

¹ M. Briand's French administration had resigned on July 17 and had been succeeded, from July 19 to 21, by a ministry with M. Herriot as President of the Council and Minister for Foreign Affairs. M. Poincaré's administration, with himself as Minister for Finance and M. Briand as Minister for Foreign Affairs, was formed on July 23. M. Herriot was Minister for Education in M. Poincaré's government.

certain that the other Ministers would, to a large extent, be left a free hand in the carrying on of their own departments.

M. Tirard also said that he had recently seen reports from the French Chargé d'Affaires at Munich to the effect that even in Bavaria the spirit of conciliation showed signs of spreading amongst the population, but that its development was largely hindered by the attitude of the official and governing classes, who were largely under the influence of an extreme Nationalist clique. M. Tirard added that this coincided very largely with his own opinion as to the state of affairs in parts of the Rhineland, and particularly in the Palatinate.

Later on I joined in a conversation which had already been commenced between the French and Belgian High Commissioners on the subject of reductions in the number of troops in the Rhineland. M. Tirard was referring to the 'New German diplomatic offensive', and said that he did not think the French Government would consent to any further reductions without some compensation. I asked him what he meant by this. He was rather vague in his reply, but referred to German help in the mobilisation of the railway bonds.²

Altogether his mind seemed to be running on a financial bargain with the Germans, but he did not appear to consider that there was any possibility of such an arrangement leading to a total evacuation in the near future. I told him that I knew His Majesty's Government considered that a considerable reduction in the garrison in the Rhineland was due, and that if we had not pressed the point recently, it was presumably out of consideration for M. Briand while he was dealing with the difficulties of the financial situation. I did not find M. Tirard receptive on the point, and though I repeated my observations twice, he did not appear inclined to pay very serious attention to them.

The Belgian High Commissioner said that he was strongly opposed to any reduction in the numbers of the Belgian troops, and that he presumed His Majesty's Government did not contemplate a reduction in the British. That left only the French. This remark was not particularly well received by M. Tirard, who indicated that he did not think his Government would be prepared for concessions in this matter. He added that they had made considerable reductions since the Note of the Conference of Ambassadors of November last. He did, however, mention that it might be possible to withdraw a regiment.

These conversations were, of course, quite unofficial, and incidental, but I think them worth recording as showing the lines on which my colleagues are thinking.

I have, &c.,
KILMARNOCK

² The Dawes Plan had provided for two issues of bonds as collateral security for reparation payments, of which 11 milliard gold marks (£550 million) of first mortgage bonds were secured on the German railways, and the remaining 5 milliard gold marks (£250 million) of debentures were secured on German industry.

Letter from Viscount D'Abernon (Berlin) to Sir A. Chamberlain

[F.O. 800/259]

Copy

Private and confidential

BERLIN, July 28, 1926

Dear Secretary of State,

The principal subject of interest since last I wrote¹ is the unexpectedly favourable reception in Germany of the Poincaré Ministry. I should have feared that a return of Poincaré to office would have been viewed here either with apprehension or resentment but there have been no signs of this, people being satisfied or indifferent. Indeed, one might almost say, gratified or indifferent.

The main reasons for this attitude are, first, that Briand remains Minister for Foreign Affairs. People here have great confidence in his influence. Secondly, German financial circles realise how dangerous a catastrophe to the franc would be to the general welfare of Europe. Although the German financial system is now firmly established, a bad crisis in Paris could not fail to endanger the position and, apart from finance, German industry would suffer severely.

A third reason—perhaps the most important one—is that public opinion here considers Locarno so firmly established as the basis of future international relations in Europe that even the advent of a still resentful Poincaré could not modify the position. This may be too optimistic a view to take, but it is the view which is taken, and one can only hope it is right.

I told you in my last letter that a Polish unofficial representative, Diamant [Diamand], was in Berlin trying to get in touch with Stresemann. I hear he has now gone down to Wildungen and has had two or three long interviews with the Minister for Foreign Affairs,² but I do not yet know what transpired.

The air here has been full for the last ten days of rumours as to what Poland intends to do in Lithuania. All sorts of stories have been current about prospective violent action, but no one seems to know precisely what justification there is for apprehension. The stories are presumably inspired by Moscow, which is not an origin commanding much confidence. Still, official circles here do not treat the possibility of trouble as absurd.

Yours very sincerely,
D'ABERNON

P.S.

July 29, 1926

Since writing the above I have seen Diamant and had a long conversation with him. He did not mention the fact that he had been to Wildungen to see Stresemann, and, indeed, ignored the whole question of his negotiations with

¹ This letter of July 19 is not printed.

² Cf. E. Sutton, *Gustav Stresemann, op. cit.*, vol. ii, pp. 500–2. Dr. Herman Diamand was a prominent Social-Democratic member of the Polish Diet.

the German Government. He was, however, very confident that an agreement would be come to between Germany and Poland on the commercial treaty and on the subject of the confiscation of German property in Poland. This confiscation was pushed by certain classes in Poland who had a direct interest in it, but they were gradually losing their influence.

With regard to the commercial treaty, both Germany and Poland were beginning to realise that in harming the trade of the other country they were also injuring themselves. Diamane [*sic*] thought that in two or three months agreement would be come to.

As regards the Corridor, no fundamental modification was possible—not at present in any case. But, if better relations prevailed, the inconvenience of the Corridor could be enormously reduced by practical measures. The Corridor meant an open road from north to south: it did not mean an obstacle to traffic east and west.

It was impossible for Poland to fight on three fronts, i.e. Russia, Germany and Czechoslovakia. She must be friends with some of her neighbours. Pilsudski's fear of Russia was well-known. This necessarily made him less hostile to the other two countries, particularly less hostile to Germany.

There was no good in supposing that real friendship could exist between Poland and Czechoslovakia. The Czechoslovaks were fundamentally pan-Slav and in a real crisis would never assist Poland against Russia—they would always be on the Russian side. It would be folly for Poland not to recognise this.

As regards relations with France, Poland owed an immense deal to France and had particular ties with that country. But this did not mean that she liked being treated as a wife with all the duties and responsibilities, while Czechoslovakia was treated like the mistress and received all the presents.

Diamant [*sic*] is to some extent obsessed by the belief that England desires to use Poland against Russia—a conception which has been so assiduously propagated throughout Central Europe by the Soviet—but otherwise he appeared [*sic*] a very intelligent man.

D'A.

No. 111

Sir R. Hodgson (Moscow) to Sir A. Chamberlain
(Received July 29, 9.5 p.m.)

No. 167 Telegraphic [N 3549/53/38]

MOSCOW, July 29, 1926, 4 p.m.

Your telegram No. 162.¹

Stalin now remains the only dominating personality in Politbureau: the guidance of the communist party and through it of the Soviet government is in his hands. Dzerjinsky was the one outstanding figure in the executive on whose loyalty he could absolutely rely and whose authority throughout

¹ No. 106.

the country was unquestioned. Politbureau as now constituted is indeed subservient to Stalin but a weakened instrument. Trotsky remains (on) it but is an irreconcilable heretic as is also Kamenev. Doubtless they are more dangerous within than without the fold.

Zinoviev's exclusion was the inevitable sequel to his leadership of Lenin-grad opposition² and may be expected to be followed by his dismissal from the presidency of Comintern, probably at party session called for October 25th, for he has been utilising Comintern as a means through which to intrigue against the party. I believe him to be irretrievably discredited. Yet it may be anticipated that he will not abandon conspiracy tactics and will contrive to be the focus of the opposition and a source of endless trouble to the party. New opposition is disjointed and represents contradictory elements but weakness of governing clique and economic difficulties with which Soviet government are beset creat[e] a favourable terrain for agitation and are propitious to formation of group which will be a constant menace to the authority of the Central Committee.³

I consider that events under consideration mark a quickening in the evolutionary process and should impel Soviet government in the direction of becoming more of a Russian government and less of an international conspiracy organisation and I believe as an inevitable consequence that Comintern will tend to lose its power for mischief.

² See Volume I, No. 167.

³ In Moscow despatch No. 540 of July 30 Sir R. Hodgson further reported as regards this opposition: 'One concrete fact however emerges clearly and that is that they are united in differing from the Central Committee on the subject of the Anglo-Russian Committee of Unity, and demanded withdrawal from it—"a step which would inevitably weaken the influence of Comintern on the working masses of capitalist countries." Which means that the Central Committee as now formed has no intention of abandoning its career of mischievousness. Each time the Communist Party has been faced with a crisis of the kind, the Central Committee has come out of the contest victorious, but each time the impact of hostile factions has shaken the monolith a bit more. And in this instance the impact has been particularly violent. Yet there is no reason whatsoever to think that the position of the exponents of Leninism now in control is weakened to a point when they will be unable to maintain their despotic sway.'

No. 112

Sir A. Chamberlain to the Marquess of Crewe (Paris)

No. 2167 [C 8483/446/18]

FOREIGN OFFICE, *July 29, 1926*

My Lord Marquess,

The German Ambassador having applied to see me upon urgent instructions from his Government on matters concerning the occupation of the Rhineland, I received his Excellency last night at the House of Commons.

2. Before proceeding to discuss the purport of his visit which is recorded at length in my despatch to Berlin No. 966¹ of yesterday, of which a copy is

¹ No. 107.

enclosed in this despatch, I should state, in order to make the position clear, that ever since the meeting of the League Council in Geneva last June, I had been seriously revolving in my mind how we could reconcile with the French Government those points of divergence which, unless settled in the meantime, might well force us into the embarrassing position of ranging ourselves publicly against the French delegation at the next meeting of the Council in September. The major issues in dispute are, as I need hardly remind your Lordship, the questions of (1) troops in the Saar, (2) number of occupying forces in the Rhineland, (3) the French claim to some permanent resident form of League supervision in the Rhineland when inter-Allied military control is withdrawn.

3. I was on the point of addressing myself to M. Herriot on these points on his advent to office when he fell as quickly as he had risen. And it was certainly with a feeling of relief that I received the news that M. Briand had been reappointed to his old post at the Quai d'Orsay, for his Excellency is already so well aware of my point of view and of my genuine desire to avoid an embarrassment in the relations between our two countries that it is easier for me to speak to his Excellency with the assurance that he will both be prepared for what I have to say and incapable of misinterpreting my motives. I had therefore, prior to the German Ambassador's application for an interview, drafted a personal letter to M. Briand, fully explaining our position in these matters and the attitude which we feel ourselves compelled to maintain. At this point the Ambassador intervened, with the results recorded in my despatch to Berlin; and the immediate question arose whether, despite that interview, I should still send the letter to M. Briand or do better to withhold it. Upon full reflection I have come to the conclusion that the letter had best go forward to its destination. I accordingly enclose it, in original, together with a copy for record on your archives. And I request that, taking an early opportunity to deliver it personally to M. Briand, you will mould your language on its contents. You should, at the same time, inform M. Briand that one of my objects in addressing this letter to him was to avoid the very thing which has now happened, namely, an appeal by the German Government that we shall act up to our formal engagements regarding the diminution of troops in the Rhineland; that personally I regret this move by the German Government, though I am not surprised at it, for M. Briand has long known from what your Lordship has said to him repeatedly on my behalf that I am uneasy at the way this question has been handled and the undoubted fact that there are now more troops of occupation in the second and third zones than there were before the evacuation of Cologne. That is a plain statement of fact which it is impossible to reconcile with either what was said by M. Briand himself at Locarno, or with the terms of the note from the Ambassadors' Conference of the 14th November, 1925.

4. You may inform M. Briand of the substance of what passed between the German Ambassador and myself at yesterday's interview, more especially inviting his attention to what I said to Dr. Sthamer as to the possibility of my taking this very matter up with the French Government. And I would beg

your Lordship to impress upon his Excellency the extremely delicate position in which, through the failure to implement the promise of November last, I find myself almost daily placed in my relations with the German Government. Not only that, but I am subjected to latent, though growing, pressure and discontent in Parliament where members find themselves not unnaturally unable to understand how it comes that, more than seven months after it was proffered, the undertaking given to Germany in November regarding reduction of troops still remains unfulfilled. It might perhaps even be well to remind M. Briand that the particular undertaking in the Ambassadors' note on which the German Government so largely base their claim was inserted on the direct initiative of the French delegation, and actually drafted by them in order to meet the expressed desire of the German Ambassador in Paris. I welcomed that passage and cordially endorsed it as the right policy; and I do most earnestly trust that M. Briand will now make a serious endeavour to implement it, for the sands of time are fast running out and at Geneva in September many of these problems may be forced upon us whether we wish it or no.²

5. A copy of this despatch has been sent to Brussels.

I am, &c.,

AUSTEN CHAMBERLAIN

ENCLOSURE IN NO. 112

*Letter from Sir A. Chamberlain to M. Briand*³

FOREIGN OFFICE, July 29, 1926

My dear Friend,

You do not need to be told how anxiously I have followed recent events in France or with what pleasure I learned that you had returned to the Quai d'Orsay, and that we could continue to cooperate in our task of cementing the friendship and cordial understanding of our two governments and nations and building upon that secure foundation the gradual reconciliation and restoration of the European commonwealth.

Our work is as yet far from accomplished, though much has already been achieved. Thanks mainly to you we have brought a new spirit into Europe and into our relations with Germany in particular. We have made possible German cooperation with the west. We have, I hope and believe, eliminated the danger that the settlement of the western frontiers of Germany consecrated at Versailles will ever be the cause of a new war, and if we have not yet secured the same certainty of stability in the East of Europe we have at least sensibly diminished the menace to peace in that quarter.

All this has been possible because France and England have worked to-

² Lord Crewe reported in a private letter of July 30 to Sir A. Chamberlain that he had, as instructed in a private letter of July 26 from Sir Austen, held a preliminary conversation with M. Briand on the three questions on July 29. He had been unable to see M. Briand again on July 30 but had sent him an account of Sir A. Chamberlain's conversation with Dr. Sthamer.

³ Extracts from this letter are printed by Sir Charles Petrie, *op. cit.*, vol. ii, pp. 304-6.

gether in close cooperation and ever-growing cordiality. It is to the preservation of this relationship between us that we must look for the maintenance of what has been already accomplished and for its development along the lines and to the ends which have been so often discussed between us. Working together France and England can do almost anything. If we are once separated, the whole edifice is endangered. We must continue to act together if we are to succeed.

But there are one or two questions on which up to the present we are either not agreed or have not found it possible to settle the steps by which effect shall be given to our agreement, and as time passes and the September meeting of the Council draws near, this want of complete agreement causes me growing anxiety.

The first and perhaps the most important of the questions which in this connection are the object of anxious concern to me, and I must add to the British Government, is that of the number of troops for occupation in the Rhineland. I have never left you in doubt as to our views on this question and more than once I have begged you to use your influence and authority to remove what we cannot but recognise as a well-founded complaint on the part of Germany. I need scarcely recapitulate the facts of the case. In the note from the Ambassadors' Conference of the 14th November last, at the time that arrangements were made for the evacuation of the first zone, the German Government were given an express undertaking that the occupying troops in the remaining zones would be considerably reduced. You will remember the verbal assurances which you gave to the German delegation at Locarno and which you confirmed in London on the 1st December last,⁴ that the evacuation of the Cologne zone would not have the result of increasing the number of troops in the second and third zones. Yet this is what has in fact happened. According to the information supplied to me by the War Office the number of troops in the second and third zones to-day is greater by over 10,000 than it was on September 1st last and by nearly 17,000 as compared with November 1st last. It is no exaggeration to say that the false position in which we are thus placed has constantly embarrassed our relations with the German Government and has given them an easy retort (which they have naturally not been slow to use) to the remonstrances which, on behalf of His Majesty's Government, I have from time to time had occasion to make against acts on their side equally alien to the spirit and accords of Locarno.

I know that you desire as much as I do to see these numbers reduced but I am alarmed at our inability to get anything done. As it is, we stand guilty of what the British Government feel to be a clear breach of faith, and while I have hitherto refrained from pressing the point to extremes, I must beg you to remember that we too have our public opinion to consider and that it is becoming increasingly difficult to defend a condition of things which is irreconcilable with assurances given in my presence and to which, through the Ambassadors' Conference, His Majesty's Government actively assented.

⁴ See Volume I, No. 122.

A second question is the proposal to maintain troops in the Saar for the purpose of safeguarding the communications of the Rhineland armies. The objection His Majesty's Government have here felt to the French point of view derives not from any express undertaking given to the German government, but from the terms of the treaty itself, which provides that there shall be no military service in the Saar. It was therefore with much gratification that I heard you announce at Geneva in March last the intention of the French government to withdraw one battalion of their troops from the territory by May 31st and the remainder step by step. After this declaration it was a profound disappointment to learn that the majority of the Saar Governing Commission (including the French member) proposed in their report to the Council of the 21st May that a minimum of two battalions plus a railway commission of some 70 members should remain in the Saar at the Governing Commission's disposal to ensure the freedom of transport and transit. Our disappointment was the greater when you found yourself unable to accede to my request that the French delegate on the League Council should be instructed not to accept the majority report. Once again, however, I took steps to avoid a public divergence of views with the French Government and accepted your suggestion that consideration of the matter at Geneva should be postponed till the September meeting.⁵

You will agree that it is of the utmost importance that our two delegations should go to Geneva in September with agreed views on this question. Nothing could be more regrettable than that you and we should find ourselves on opposite sides when the matter comes up for public discussion by the Council. I therefore beg you to give the matter your earnest attention at the earliest possible moment so that we may not find ourselves divided on this vital question in the presence of the Germans.

The third and last question to which I wish to refer is the French desire for a permanent resident commission under League of Nations control in the Rhineland.⁶ It was Monsieur Herriot himself who first broached this question in the note he handed me on December 5th, 1924, just before the Council meeting at Rome. I had no opportunity in Rome of securing the opinion of my legal advisers on the juridical issues involved, but in view of the importance which you then indicated that the French government attached to the subject, I took an early opportunity to refer the matter to the highest legal authorities in this country. They were unhesitatingly of opinion that it was not possible under the treaty for the Council to establish a permanent resident organisation such as the French desired, but that the rights of the Council were confined to the institution of particular investigations from time to time by the Council, on a sufficient *prima facie* case being made out to the satisfaction of the Council. For this reason the British representatives, whether on the Permanent Advisory Committee or on the Council itself, have always been obliged to reject any scheme which included a proposal for a permanent organisation of the kind. The German government, on their side, have on more than one occasion intimated that they

⁵ See Nos. 33 and 53.

⁶ Cf. Volume I, No. 205.

could not consent to any such body, and' at Locarno in your presence I admitted that in my view their objection was justified.

This again seems eminently a question on which our two governments should reach a measure of agreement before September. I would ask you to consider whether its importance has not been signally diminished by the guarantee which will be accorded to France's eastern frontier by the Treaty of Locarno, when Germany joins the League, as there is now every reason to anticipate that she will do in September.

You will not suspect me of any desire to embarrass you in the midst of your other grave preoccupations by thus pressing these questions on your attention, nor need I assure you, my dear Friend, that I would not show so much insistence on the settlement of these questions if I were not convinced that their continued existence furnishes our critics and other mischief makers with the argument that our countries differ in essentials whereas you and I know that such divergence is not fundamental. By removing such obstacles we are, therefore, materially strengthening the bonds which already unite us. This is the justification which I plead for my importunity. My sole object is to preserve our unity of thought and action and to secure by friendly discussion in advance agreement on those issues which, unless settled in the meantime, seem to me inevitably destined to place us next September in the embarrassing and indeed distressing position of having to adopt in public opposing attitudes on three questions in which I am convinced that the permanent interest of France and ourselves is the same.

With the assurance of my warm & affectionate regard,

Believe me

Yours sincerely

AUSTEN CHAMBERLAIN

P.S.—This letter was being copied for signature when the German Ambassador handed me yesterday evening a note on the number of troops in the occupied area, of which the counter-part was as I understand handed to you at the same time. I confess that I had feared some such German initiative and had been most anxious to anticipate it. I told the Ambassador that we stood by the declaration of the Ambassadors' Conference and that I was sure that you were as anxious as we were to give early effect to the measures which we had contemplated. More than that I could not say until I had had an opportunity of reading the note and consulting with you. I am sorry that the German Government has acted at this moment, but I do not think that it ought to alter our purpose of giving early effect to our promises. There is no doubt that the delay is embarrassing Stresemann and causing him some anxiety as to the relations of the German Government with both the President and the Reichstag.

A. C.

No. 113

Sir A. Chamberlain to Sir G. Grahame¹ (Brussels)

No. 570 [C 8483/446/18]

FOREIGN OFFICE, *July 29, 1926*

Sir,

I transmit herewith, for your information and guidance, a copy of a despatch which I have to-night addressed to His Majesty's Ambassador in Paris² regarding the number of the troops of occupation in the Rhineland and sundry other matters of divergence at present open between ourselves and the French Government.

2. Your Excellency will see from a perusal of these papers exactly what the position is; and I need not, therefore, burden you with a recapitulation. But with the interview with the German Ambassador which I had last night (see the enclosed record of the conversation³) matters have to some extent been precipitated; and much though I may regret his Excellency's intervention at this precise moment, it is not a factor which we can any of us afford to ignore. Moreover, it must be frankly admitted that there is much in this appeal by the German Government, however inopportune we may judge it to be, which has my full sympathy. Certain definitive and formal promises were made to Germany last November; certain things were said to the German delegates at Locarno, as M. Vandervelde will remember; those promises have not been carried out, despite our continued endeavour to induce the French Government to do so. Now we are faced with exactly the position which I wished to forestall; the German Government have moved officially, and the situation is certainly embarrassing.

3. I desire that your Excellency should at once see M. Vandervelde and inform him with the utmost frankness of my view of the situation. You should not give him the terms of my letter to M. Briand of to-day, nor, indeed, even refer to its having been sent; but you may of course base your language generally upon its contents and upon this despatch and that addressed to Lord Crewe to-day.

4. A copy of this despatch has been sent to Paris.

I am, &c.,

AUSTEN CHAMBERLAIN

¹ H.M. Ambassador at Brussels.

² No. 112.

³ No. 107.

No. 114

Sir A. Chamberlain to the Marquess of Crewe (Paris)

No. 2175 [W 7022/223/98]

FOREIGN OFFICE, *July 29, 1926*

My Lord Marquess,

Acting upon instructions received from M. Briand, the French Ambassador called upon me this afternoon to discuss certain questions connected with the

approaching meeting of the Council of the League of Nations and the respective claims of Germany and Poland. The Polish Government had presented to M. Briand the following suggestions for modifications in the conclusions reached by the Committee of Council:—¹

Article 2.—Modification so as to enable Poland to be assured that she will be re-eligible from the next Assembly (1926). M. Briand proposes that when the non-permanent members are elected in 1926, the voting papers should bear not only the name of the State voted for but the word 're-eligible.' The three States which in this way obtain the necessary two-thirds majority enter the Council in the re-eligible category.

M. Briand does not think that an increase of the period of re-eligibility from three to five years is possible.

Article 3.—The Polish Government suggest the omission of this article. M. Briand is favourable.

M. Briand would have preferred not to reopen any of the decisions of the committee, but the observations which he had made at Warsaw had not met with success, and he was inclined to think that the measure of satisfaction which he now suggested should be given to the Polish request might influence favourably the attitude of Spain and Brazil. M. Briand fully recognised that no discussion of details was possible until we got to Geneva, and desired only a general agreement, as he was most anxious that we should act together in this matter. The questions, therefore which he desired to put to me were as follows:—

1. Are we agreed in recognising that it is desirable, if it does not appear possible to postpone the entry of Germany into the League of Nations (M. de Fleuriau explained that this referred only to a postponement of a day or two so as to get all questions relating to the Council settled at the same time) to do all that we can to hasten the vote of the Assembly on the reorganisation of the Council and the election of Poland?
2. Are we agreed in thinking that without bringing into question the proposal for the reorganisation of the Council drawn up by the committee of the Council, we must find means of introducing amendments which will give some further concessions to the Powers concerned?
3. Should we not separately approach the President of the Council and the Secretary-General to fix the date of the next Council for the 30th August instead of the 3rd September in order to give further time for the members of the Council to reach an agreement before the meeting of the Assembly?

I said that I must obviously take time to consider these matters. I too was opposed to reopening more than was necessary the agreement which had been provisionally reached in the committee. I had had a brief conversation with the Polish Minister upon the subject a little time ago. I had begged him to

¹ This report of May 17 by the Committee on the Composition of the Council, including draft regulations regarding the election of non-permanent members of the Council of the League of Nations, is printed in Cmd. 2665 of 1926: cf. No. 6.

remember that the pretensions of Poland were largely responsible for the difficult situation which had arisen last March, and I had urged the Polish Government to do nothing to provoke a repetition of those difficulties. I had pursued a policy of great consideration for, and friendliness to, Poland, but it would produce the worst impression in this country if any fresh hitch arose owing to new Polish claims. I added to M. de Fleuriau that I thought the Polish Government was somewhat inclined to abuse the friendship of France, and that both the French Government and ourselves must do all we could to impress upon them the necessity for a reasonable and conciliatory policy in the interest of Poland no less than of the rest of us.

The French Ambassador repeated that full satisfaction could not be given to Polish wishes, but M. de Fleuriau did not think that there was anything very unreasonable in what M. Briand actually suggested.

I said that I would study the matter and give M. de Fleuriau my answer before I left town. I added that I had already indicated unofficially to Sir Eric Drummond² on the fall of M. Briand's Administration that I thought the committee ought to be summoned in sufficient time to complete its labours before the Council met. If the Council was to meet earlier, the committee also must be summoned for an earlier date.

M. de Fleuriau confirmed to me the information which I received from your Lordship as to M. Poincaré's intentions in regard to the Anglo-French debt settlement.³ He added that he thought there had been a considerable change in M. Poincaré's outlook. As to this, I said it was, of course, an immense satisfaction to me that M. Briand remained at the Quai d'Orsay in M. Poincaré's Administration, and I was confident that I could work with as much cordiality with M. Poincaré's Government as I had done with that of M. Briand. No doubt we had differed in the past, but neither of us would desire to revive old controversies, and I felt quite sure we could pursue a common policy in future.

I am, &c.,
(For the Secretary of State)
G. H. VILLIERS

² Secretary-General of the League of Nations.

³ In Paris telegram No. 300 of July 27, Lord Crewe had transmitted an extract from a French ministerial declaration which included a reference to France's creditors '*envers qui la France a la ferme volonté de s'acquitter dans toute la mesure de ses facultés*'. On July 28 M. de Fleuriau had called on Mr. Gregory and had informed him that in conversation with M. Pouyanne, financial adviser to the French Embassy in London, 'M. Poincaré had expressed the greatest desire to be on the best of terms with this country and had said that, if any differences arose—as they might conceivably do—he was certain that they could be easily settled between us. He had then spoken about the Anglo-French debt agreement and had said that, though it was not he who had tabled it in the house, he was determined to do his best to bring about its ratification. The English and American agreements could not, however, be dissociated and although he was equally prepared to try and obtain the ratification of the latter, he could not, owing to its unpopularity, proceed until he had got his main financial proposals through the Chamber. This would mean that he would not be able to get on with ratification until November.'

No. 115

The Marquess of Crewe (Paris) to Sir A. Chamberlain
(Received July 31, 8.30 a.m.)

No. 311 *Telegraphic: by bag* [C 8508/436/18]

PARIS, July 30, 1926

At the meeting of the Ambassadors' Conference this morning, the Belgian Ambassador proposed that the German government should be asked to hasten the execution of the outstanding military control matters, and that it should be informed that the entry of Germany into the League of Nations would not necessarily imply the termination of allied control unless satisfaction had been given in respect of these matters.

2. The Italian Ambassador and Monsieur Cambon asked that instructions might be given to the Secretariat General of the Conference to prepare the draft of a note to the German government in this sense. It was suggested that this draft should then be submitted to the various governments for approval.

3. I should be glad to receive your observations on these proposals with the least possible delay.

No. 116

Lord Kilmarnock (Coblenz) to Sir A. Chamberlain (Received August 2)

No. 143 [C 8527/968/18]

COBLENZ, July 30, 1926

Sir,

With reference to my despatch No. 141¹ of to-day's date, I have the

¹ Not printed. This long despatch reported on an enquiry by the French General Douchy, within whose command Germersheim was situated, into the incident of July 3-4 (see No. 99, note 2). Lord Kilmarnock stated, in particular, that as regards the German festivities 'there is no doubt that their military nature, the display of banners inscribed with the German victories of 1870 and the national songs that as experience shows always accompany such manifestations were calculated to bring the participators into conflict with a French garrison. The local German authorities were fully aware of the nature of the celebrations since they were members of the organising committee and it is, therefore, somewhat remarkable that they took no steps to acquaint the local French authorities with the programme of events, in order that the latter might be in a position to take such precautionary measures as the situation demanded. It was not indeed until the morning of the 3rd July the day on which the festival began that the local authorities gave any information as to what was taking place, and then only at the insistent demand of the Officer Commanding the garrison of Germersheim. The same reluctance was shown on the occasion of the French enquiry on July 20th. It was not until a written order had been sent to the local German authorities that they consented to appear to give evidence as to what had taken place. This attitude shows, at the best, the total lack of any spirit of cooperation on their part, and at the worst a deliberate desire to cause trouble.

'5. As an answer to the German protest, the report of General Douchy, which was completed before the receipt of the Note of the German Commissioner, is inconclusive as regards certain points and incomplete in that certain of the detailed charges are not dealt with. But

honour to forward herewith a copy of a letter² addressed by the General Officer Commanding-in-Chief the Allied Forces of Occupation to the High Commission relative to the incidents at Germersheim and the general situation in the Occupied Territories created by the attitude of a part of the German population.

You will observe that General Guillaumat entertains grave apprehensions as to the probability of future incidents and asks for preventative measures to be taken by the High Commission. As such measures as he suggests would inevitably be represented by German circles as a departure from the policy of Locarno and as a withdrawal of some of the advantages, which were granted as a result of that policy, I think it well to submit the matter to you, Sir, before it comes up for decision by the High Commission.

The present position is as follows:

At the request of the German Government, the 'delegate system' was abolished:³ this leaves no buffer between the Germans and the Military Authorities; the consequence is entire loss of touch in most cases between

in the main it does not substantiate the grave charges brought against the French. The most remarkable result of the enquiry is the failure of the mayor to give any evidence in support of the charges brought by the German Government, in particular as regards the removal of the flags. . . .

'6. To sum up, the evidence shows that some interference took place with the procession. This may be explained, though not entirely excused, by the provocation which was undoubtedly offered to the French troops. But as regards the remainder of the alleged excesses the evidence is negative and, failing further proof to the contrary, it must be assumed that the German charges, if not invented, are at least grossly exaggerated.'

Lord Kilmarnock commented that it was significant that whereas hitherto the German authorities had reported promptly to the competent military authorities all offences committed by military personnel, in this case, with one exception, no German complaint was received until July 20. He added: 'In view of the political issues raised by these incidents I have thought it advisable to report fully the facts as far as they can be ascertained. The manner in which these incidents have been exaggerated and the way in which the matter has been treated by the German authorities cannot but give rise to a suspicion that the case has been worked up as part of the general propaganda against the occupation which for some months past has been evident throughout the whole of Germany. I fear that there is little probability that the Note sent by the High Commission to the Reich[s]kommissar [not printed: this note dated July 31 communicated the results of General Douchy's enquiry] will close the incident. It is not by any means a conclusive document, but rather the result of a compromise by which an endeavour was made not to tie the hands of the Governments. My object during three days strenuous negotiations was, in the spirit of your instructions, to induce the French to include some expression of regret, however anodyne, but failing this—and my personal opinion is that the provocation on the German side was so deliberate that it is not surprising that the French Government refused—to avoid committing myself vis-à-vis to the Germans to any definite attitude on the French report until you had had an opportunity of examining the evidence.'

² Not printed. This letter of July 27 from General Guillaumat requested that the High Commission should take action as proposed in the enclosure below.

³ The system of local representatives of the Inter-Allied Rhineland High Commission had been abolished as from December 1, 1925, in accordance with ordinance No. 308 of the High Commission, dated November 17, 1925: cf. Volume I, Nos. 104 and 112. Ordinance No. 308 is printed in the *Official Gazette of the Inter-Allied Rhineland High Commission*, September–December 1925, pp. 24 f.

the Allies on the one hand and the local officials and population on the other. This result was foreseen at the time but, in view of the insistence of the German Government, it was felt to be impossible to resist their demand. A further alleviation was the giving-up of control by the Allies of the display of flags (*pavoisement*), a certain relaxation of the control of meetings, processions, etc., and a general policy of a lessening of the stringency of the Ordinances. It was hoped that these alleviations would be greeted by the Germans as an earnest of the good will of the Allies and that a spirit of reciprocity would be evoked, which would demonstrate that the safeguards, which had been given up, were no longer necessary.

Unfortunately these hopes have not been justified. As I was obliged to report to you in April,⁴ the attitude of the Germans towards the British Army became less rather than more friendly and points of friction showed a tendency to increase. As a result of your intervention at Berlin some local improvement took place, but subsequently the incidents connected with the illumination of the Niederwald Denkmal supervened and it was clearly demonstrated that we could look for no assistance from the local German Authorities. Indeed Dr. Stresemann himself was moved to point out that they understood a written order and nothing else.

Now come the incidents at Coblenz⁵ and Germersheim and others of a minor nature, which are not serious enough to report. (It is true that the one bright spot is that the Germans apologised for their behaviour on July 13th here and that I attribute to the first real assertion of authority by the Reich[s]-kommissar over the Mayor.) All this evidence shows clearly that it is useless to look for the exercise of tact or restraint locally—the German character is such that a distinct limit has to be set; once it is set they will not overstep it, but if it is relaxed their arrogance knows no bounds: e.g. this display of flags is controlled—no incidents; the control is removed—immediately provocative use is made of the relaxation. Similarly with processions—control is removed in all but garrison towns—result provocative processions without notification in garrison towns.

All this has forced me to the reluctant conclusion that it is advisable to agree to most of the proposals put forward by the General. I am under no illusion as to the use which will be made of such action by German propaganda but it seems to me that worse results may follow if things are left as they are. Incidents such as Germersheim do more permanent harm to the spirit of reconciliation and cause more enduring bitterness than will ensue from the passing of an Ordinance designed to prevent their occurrence. The Germans have always understood a firm hand and though there will be some grumbling at first, it will soon pass, whereas a succession of incidents may well create the effect of a running sore.

⁴ See Volume I, No. 432.

⁵ On July 13 a procession of French troops through Coblenz had been insulted by German onlookers. A French proposal that the High Commission should take action against the Chief Burgomaster of Coblenz was dropped when an apology for the incident was received from him.

I enclose a draft of an Article, which I would propose should be added to Ordinance 308.⁶ It is not entirely an innovation, as the High Commission recently took a decision prohibiting processions 'of a military nature', but it clears up the situation in the light of experience and removes such ambiguities as exist. I shall be grateful of [*sic* ? for] instructions as to whether you approve of the proposal.

I have, &c.,
KILMARNOCK

ENCLOSURE IN No. 116

*Suggested new Article to be inserted after
Article 26 of Ordinance 308*

Article .7

Except as hereinafter provided, all meetings, processions and demonstrations of military associations or accompanied by bands playing military music or by military banners or emblems or otherwise having military characteristics or significance are forbidden and any person taking part in any such meeting, procession or demonstration shall be guilty of an offence against this Ordinance.

Notwithstanding the prohibition hereinbefore contained, the military authorities may, by special authorization, permit any such meeting, procession or demonstration whenever they shall be satisfied that no danger to the public peace is to be apprehended therefrom.

⁶ Cf. note 3 above.

⁷ Thus in original.

No. 117

Letter from Mr. Lampson to Mr. Phipps (Paris)
[C 8470/436/18]

FOREIGN OFFICE, July 30, 1926

Dear Phipps,

We are authorising you¹ to withdraw your reservation to the Ambassadors' resolution about military associations in Germany (see your telegram No. 277,² section 4). At the same time I can't help feeling that it is all very foolish. Does anybody, even General Walch, believe that this kind of action is going to have any real effect on the activities of the associations, unless indeed to stimulate their ardour? Was it really necessary to have started this hare in the first instance? We were certainly never consulted about it at the time. If I am right, the Conference set the Versailles Committee to work on the 27th May at the instance of the French and Belgians, and we never heard of the matter at all till the Conference minutes came through some weeks later.

Yours ever,

MILES W. LAMPSON

¹ In Foreign Office telegram No. 199 to Paris of July 29 (not printed).

² No. 95.

*Sir A. Chamberlain to Sir R. Graham (Rome)**No. 203 Telegraphic [C 8500/391/90]*

FOREIGN OFFICE, July 31, 1926, 2.50 p.m.

Italian Ambassador asked to see me on July 29th and handed me a long despatch from M. Mussolini on Italian interests in Albania a copy of which together with record of our conversation goes to you by bag.¹ It may be summarised as follows:—

At the time of the negotiation of the Anglo-Persian oil concession in Albania² British legation at Durazzo had endeavoured to exclude Italian participation and had endeavoured since then to reserve to Great Britain preponderant position in the country. This was specially observable in recent political negotiations between Italian and Albanian governments. When Albanian government asked for an agreement Italian government considered that such agreement could not be divorced from Ambassadors' Conference decision of November 9th, 1921. This Ahmed Bey refused to recognise and practically asked British Minister for protection against Italy. He appeared certain of support of British Minister, and Italian government had been frequently informed that refusal of Ahmed to recognise Ambassadors' Conference decision was due to engagements already made with British government. Finally when Ahmed stated that Italian government had addressed ultimatum to him British Minister did all he could to influence Ahmed against Italy and supplied him with arguments against validity of 1921 declaration. Presence of British fleet in Adriatic at the same moment had also encouraged Ahmed to hope for British protection. Italian government were loth to believe these reports, but considered it desirable to have a loyal exchange of views on situation. They did not believe that British government intended to impede legitimate Italian activity in Albania which was natural outlet for Italian energies, and they would be astonished if British government assumed role of interested party in purely domestic affairs of the Balkans.³

¹ The record of this conversation in Foreign Office despatch No. 1056 to Rome of July 29, not printed, differed little in substance from that in the present telegram. Sir A. Chamberlain stated in particular that Marquis della Torretta had 'several times emphasised the friendly character which the communication was intended to have and the confidence felt by Signor Mussolini in the dispositions of the British Government'. The enclosed communication from Signor Mussolini, summarized below, and Marquis della Torretta's account of the conversation are printed in *I Documenti Diplomatici Italiani*, Settima Serie, vol. iv, pp. 279-82 and 290-2 respectively.

² Cf. No. 157.

³ Signor Mussolini's telegram further stated in particular (Foreign Office translation): 'The Italian Government could not, for instance, conceive of the presence of a numerous British naval force in the Adriatic if this should signify, in regard to any of the states which keep guard on the Adriatic, the adoption of a position not justified by the necessity of protecting British interests equal to those of the states which have a feature of their existence on the Adriatic. The Italian Government . . . have always considered that the British Government certainly appreciated the different conception which their fleet represents in the Mediterranean from that which it can represent in the Adriatic.'

I told His Excellency that I was glad he had spoken so frankly; if he had read all the instructions I had sent to Durazzo he would be convinced of perfect loyalty of His Majesty's Government. Our sole interest was general interest of maintaining peace. I was satisfied with the assurances given me by both the Italian and Jugoslav governments that they were determined to respect the integrity and independence of Albania. As he had mentioned British Minister, I might say that I on my side sometimes doubted whether Italian interests were always well served by Italian representatives at Durazzo, but in any case I was suspicious of use made by Ahmed Bey of communications between himself and foreign representatives. I had no confidence in Ahmed. He was only too ready to misrepresent attitude of any one of us to the other and try to involve us in his difficulties and disputes. I had instructed His Majesty's Minister that in all these matters he should maintain greatest reserve and should advise Ahmed to settle his differences direct with Italy, but if that should unfortunately prove impossible, he should appeal to League of Nations and not to His Majesty's Government, who would not be made a party to these differences.⁴

As to cruise of British fleet, this had been decided upon long before recent incidents and there was no truth in suggestion that its purpose was to support Albanian resistance to any proposals which Italian government might be making. It was equally untrue that we had suggested to Ahmed that he should break financial agreement with Italy or had required any promise from him not to take note of the decision of Ambassadors' Conference of 1921. I added that if I had any explanation to seek or any criticism to make of Italian policy I should apply to Rome as I had so recently done and not to Durazzo, see my telegram No. 191.⁵ I ended by saying that I thought general assurances I had given covered contents of note as summarised by him and would probably make any further reply unnecessary.

Ambassador said that he would report substance of conversation to Rome and emphasised that he never doubted loyalty of British government though he felt that Italy had reason to complain of attitude of local British representative.

(*For Your information.* I am having the note carefully examined and if I find its contents do in fact require an answer or refutation of any specific point, I will of course send one.)⁶

Addressed to Rome No. 203, repeated to Durazzo No. 26.

⁴ Sir A. Chamberlain's despatch No. 1056 here stated: 'I added that I had some two or three weeks ago instructed Mr. O'Reilly to come home and report.'

⁵ Cf. No. 157, note 2. The reference should, however, probably be to telegram No. 176 printed as No. 73.

⁶ In a note of August 10 Sir A. Chamberlain informed Marquis della Torretta that a fuller reply to Signor Mussolini's telegram would be sent in due course.

The Marquess of Crewe (Paris) to Sir A. Chamberlain (Received August 3)

No. 1426 [C 8540/96/3]

PARIS, July 31, 1926

Sir,

With reference to my telegram No. 307¹ of July 29th, I have the honour to transmit to you, herewith, copies of the procès-verbal recording the heads of agreement reached between the representatives of the Ambassadors' Conference and an Austrian Delegation respecting the procedure for the completion of the work of the Organ of Liquidation.

2. This procès-verbal was signed last evening by the Austrian Minister and by the representatives of the Conference, which had approved the agreement at its meeting yesterday morning. The private undertaking given to the Austrian Minister by the representatives of the Conference on July 29th (see my telegram No. 307) that in principle no further search for war material would be made by the Liquidation Organ was approved by the Conference as well as a promise made by the representatives of the Conference to the Austrian Minister that, if some new discovery of hidden war material was made, the Liquidation Organ would be instructed to obtain directions from Paris before proceeding in the matter. The Conference at its meeting yesterday requested the Versailles Military Committee to issue instructions to the Liquidation Organ accordingly, as well as to send those necessary for the execution of the arrangements made in the procès-verbal. The Conference also approved the draft of a letter to be addressed to the Austrian Minister in regard to the application of Part VI of the procès-verbal. The text of this letter, together with that of the Austrian Minister's reply, will be forwarded as soon as received.²

3. I hope that you will share my view that the new agreement takes full account of the instructions which you have addressed to me in this matter, notably in your despatches Nos. 1634 and 1635³ of June 5th. The agreement is one which, in my opinion, gives full consideration to the political and economic exigencies of the situation.

4. The Austrian Minister, whose assistance throughout the negotiations has been most valuable, has expressed himself as fully satisfied with the agreement. I am also glad to be able to tell you that throughout the conversations the representatives of this Embassy have worked in complete harmony with their French and Italian colleagues. Monsieur Massigli, who has been in charge of the negotiations on behalf of the Ministry for Foreign Affairs, has been most accommodating. He has used the somewhat intermediary position which, as he himself stated, the French Government occupy in this question midway between the standpoints of His Majesty's Government and

¹ Not printed: see below.

² This exchange of letters of July 30 between M. Cambon and M. Grünberger was transmitted to the Foreign Office in Paris despatch No. 1438 of August 2 (not printed).

³ See No. 49 and note 7 thereto respectively.

the Italian Government in a most conciliatory manner. The Italian representatives have, I understand, also expressed themselves as entirely satisfied with the result of the conversations.

5. As, in my telegram No. 289⁴ of July 21st, I indicated was probable, the agreement does not mention the date of the withdrawal of the Liquidation Organ. The Austrian delegation itself never mentioned this matter. In the circumstances I thought it best to leave it over for the moment. If the Austrian Government now shows good faith in the execution of the obligations it has undertaken, I hope that a proposal to withdraw the Liquidation Organ will shortly arouse little opposition from the French and Italian Governments. I would suggest that, if and when such a proposal is made by the Austrian Government, His Majesty's Government might properly press for its acceptance as soon as whatever legislative or administrative measure may be necessary regarding the associations has been taken, the plans for the organisation of the single state factory have been produced, and complete plans have been submitted for the destruction, conversion or dispersion of all of the remaining special and semi-special machines.⁵

I have, &c.,
(For the Ambassador)
R. F. WIGRAM⁶

ENCLOSURE IN NO. 119

Procès-verbal

Les conversations qui ont eu lieu du 8 au 30 juillet 1926 entre les délégués qualifiés des Gouvernements représentés à la Conférence des Ambassadeurs et ceux du Gouvernement autrichien en vue de procéder à l'examen des questions encore en suspens touchant l'exécution par l'Autriche des clauses militaires du Traité de Saint-Germain et de se mettre d'accord sur les mesures propres à en assurer un règlement satisfaisant ont permis de réaliser une entente sur les bases suivantes:

I.

Au nom de leur Gouvernement, les délégués autrichiens ont déclaré qu'en exécution de l'article 128 du Traité de Saint-Germain, l'Autriche s'engage à assurer par voie législative ou administrative, conformément à l'article 156 dudit traité, et avant le 31 décembre 1926, l'interdiction à tous établissements d'enseignement autres que ceux visés par l'article 127, ainsi qu'à toutes sociétés, sportives et autres, de s'occuper d'aucune question militaire et, notamment, d'avoir aucune relation avec le Ministère fédéral des Affaires militaires ni avec aucune autorité militaire et d'instruire,

⁴ Not printed.

⁵ Foreign Office despatch No. 2249 to Paris of August 7 conveyed to Lord Crewe Sir A. Chamberlain's full approval of the terms of the agreement of July 30 and his warm appreciation of the results achieved by the negotiations.

⁶ First Secretary in H.M. Embassy at Paris.

exercer ou laisser instruire ou exercer les membres desdits établissements et sociétés dans le métier des armes ou dans l'emploi des armes de guerre.

II.

Les délégués autrichiens ont déclaré que leur Gouvernement s'engage :

1. A soumettre, dans le délai d'un mois, à l'Organe de Liquidation un plan complet et rationnel d'installation et de fonctionnement des deux sections de l'usine unique d'Etat non encore organisée[s]. Le plan sera examiné sur place par les Organes de Contrôle et devra, après approbation de ceux-ci, être mis à exécution dans un délai à fixer d'un commun accord à Vienne et qui ne dépassera pas le 1^{er} août 1927;
2. A hâter l'exécution des derniers travaux nécessaires pour que l'organisation de la section de fabrication de munitions d'artillerie soit achevée le 1^{er} mars 1927.

La Conférence des Ambassadeurs a exprimé le désir que le Gouvernement autrichien prenne les mesures d'ordre budgétaire nécessaires afin de restreindre le plus possible les délais visés ci-dessus, qui sont des délais maxima. La délégation autrichienne prend sur soi d'appuyer ce désir autant que faire se pourra auprès de son Gouvernement.

III.

1. Il sera procédé par des experts de l'Organe de Liquidation, à une date aussi rapprochée que possible, à des visites dans les établissements visés par la note collective du 18 août 1925. Ces visites, qui ne seront pas effectuées sans un préavis donné au moins la veille, auront pour but de permettre au Gouvernement autrichien de démontrer sur place l'exactitude des renseignements communiqués par lui au sujet des opérations de destruction, de transformation ou de vente dont l'outillage aurait pu faire l'objet. Tous les documents et preuves justifiant de la réalité de ces opérations seront fournis aux experts alliés. Lesdites visites établiront, d'autre part, pour chaque établissement, en présence d'un représentant qualifié de la direction de cet établissement et d'un représentant qualifié du Gouvernement autrichien, le nombre des machines qui resteront éventuellement soit à détruire, soit à transformer, soit à disperser. Seront à détruire les machines qui, étant utilisables exclusivement pour la fabrication de matériel de guerre, ne peuvent pas être transformées pour d'autres fins. L'avis des experts alliés, qui, dans leur appréciation, ne perdront pas de vue les difficultés économiques de l'Autriche, fera loi en dernier ressort en cas de discussion.

2. Au fur et à mesure de ces visites, et au plus tard dans un délai de six semaines, à compter du jour où la visite de chaque établissement sera terminée, le Gouvernement autrichien soumettra à l'approbation de l'Organe de Liquidation un plan détaillé qui indiquera de façon précise les dispositions adoptées pour chaque établissement en vue de la destruction, de la transformation ou de la dispersion des machines en question, ainsi que les époques auxquelles ces différentes opérations seront achevées. Les machines qui,

passé le délai prévu pour chaque établissement, ne seront pas transformées, seront détruites sans délai.

3. Une procédure identique à celle qui est précisée dans les paragraphes 1 et 2 ci-dessus sera adoptée en ce qui concerne le dépôt de Gross-Mittel, qui sera réduit dans des proportions correspondant aux besoins de l'armée fédérale.

4. Les représentants du Gouvernement autrichien sont autorisés à donner dès maintenant l'assurance formelle, au nom de leur Gouvernement, qu'au cours de la période prévue pour l'achèvement du programme visé plus haut, aucune partie de l'outillage encore existant ne sera employée à des fabrications de guerre.

IV.

Il est entendu que les documents ('Ausfolgescheine') visant le matériel de guerre en excédent et correspondant aux demandes de livraisons déjà présentées par l'Organe de Liquidation, en exécution de l'article 133 du Traité de Saint-Germain, lui seront remis immédiatement en bonne et due forme. Les représentants alliés ont fait connaître à la délégation autrichienne l'intention de leurs Gouvernements de ne pas exiger la livraison intégrale du matériel en question, si les diverses mesures prévues au présent procès-verbal font l'objet de la part du Gouvernement autrichien d'une exécution rapide et satisfaisante.

Les concessions ci-dessus envisagées seront accordées au fur et à mesure des progrès réalisés; elles seront notifiées par l'Organe de Liquidation.

V.

Les représentants autrichiens ont fait connaître que leur Gouvernement s'engage à faire voter et à promulguer une loi reproduisant le Décret No. 217 de l'année 1922 déjà existant, dès qu'il aura examiné et approuvé la nomenclature du matériel de guerre qui sera établie en vue de l'exécution des divers traités de paix.

Les délégués alliés ont attiré l'attention des délégués autrichiens sur l'opportunité d'appliquer des sanctions sévères contre les personnes ou sociétés commerciales ou industrielles qui, du fait de fabrication, d'exportation ou d'importation de matériel de guerre, enfreindraient les prescriptions des lois déjà existantes ou de la loi ci-dessus prévue.

VI.

Les délégués alliés ont demandé, et les représentants autrichiens ont accepté, que le Gouvernement autrichien s'engage par écrit vis-à-vis des Gouvernements alliés à se conformer strictement à l'avenir aux obligations résultant pour lui tant de l'article 158 du Traité de Saint-Germain que de la reconnaissance, aux termes de l'article 90 dudit traité, des articles similaires des traités de paix de 1919 et de 1920, en ce qui concerne notamment l'envoi ou la réception de missions, les échanges de personnel et, plus généralement, le concours prêté ou reçu dans le domaine militaire ou aéronautique.

VII.

La délégation autrichienne, au nom de son Gouvernement, a déclaré que celui-ci s'emploiera par tous les moyens en son pouvoir à faciliter la tâche qui incombe à l'Organe de Liquidation. Elle a fait connaître que le Gouvernement fédéral ne manquera pas d'user de son influence auprès des départements, services ou personnalités intéressés pour que toutes les opérations prévues puissent s'accomplir dans un esprit de loyale collaboration et le plus rapidement possible.

Fait à Paris, en double exemplaire, le 30 juillet 1926.

R. MASSIGLI.
R. F. WIGRAM.
R. BOSCARELLI.⁷
E. T. MIYANO [*sic*].⁸
A. GRÜNBERGER.
WILDNER.⁹

⁷ Counsellor in the Italian Embassy at Paris.

⁸ This signature would appear to have been incorrectly reproduced on the filed copy, and should probably read either 'T. Mitani' or 'I. Mizuno'. Messrs. Mitani and Mizuno were respectively second and third secretaries in the Japanese Embassy at Paris.

⁹ Dr. Wildner was a Ministerial Counsellor in the Austrian Ministry of Foreign Affairs.

No. 120

Sir A. Chamberlain to the Marquess of Crewe (Paris)

No. 202 Telegraphic [C 8508/436/18]

FOREIGN OFFICE, *August 1, 1926, 3.40 p.m.*

Your telegram No. 311.¹

I cannot agree to any communication to the German government on the lines proposed. It would be most inopportune to tell German government a month before their application for League membership, that their entry will not necessarily mean termination of allied control. Nevertheless I do not wish to reject the Belgian proposal in any form in view of the number of questions still outstanding. If representations are to be made it will be better to invite German government to hasten execution of outstanding military matters in order that the whole question of disarmaments may be practically cleared out of the way before the Geneva meeting takes place.

In suggesting this line of action you should be careful to say nothing which might imply that we, for our part, contemplate the continuance of allied control after Germany becomes a member of the League.

Repeated to Brussels No. 58.

¹ No. 115.

No. 121

Sir A. Chamberlain to Sir G. Grahame (Brussels)

No. 59 Telegraphic [C 8508/436/18]

FOREIGN OFFICE, August 1, 1926, 3.40 p.m.

Lord Crewe's telegram No. 311 and my telegram No. 202 to Paris.¹

Please see M. Vandervelde at once and express the surprise with which I have learnt of the Belgian Ambassador's proposal as I had hitherto believed the Belgian government were animated by the same desires as ourselves; viz. to bring Germany into the League with as little delay as possible and to avoid the raising of irritating questions in the meanwhile.

You should inform M. Vandervelde of the instructions which I have sent to Lord Crewe.

¹ Nos. 115 and 120 respectively.

No. 122

The Marquess of Crewe (Paris) to Sir A. Chamberlain (Received August 3)

No. 1432 [C 8544/436/18]

PARIS, August 1, 1926

Sir,

I have the honour to transmit to you, herewith, copy of a draft note prepared by the Secretariat-General of the Ambassadors' Conference for communication to the German Ambassador in Paris, in accordance with the decision taken at the meeting of the Conference on July 16th on the subject of illegal recruiting in the German army (see my telegram No. 277¹ of July 16th, section 5, and your telegram No. 190² of July 21st.

2. I shall be grateful if I may be informed in due course whether I may be authorised to approve the text of the note in question.³

I have, &c.,

(In the absence of the Ambassador)

ERIC PHIPPS

¹ No. 95.

² *Ibid.*, note 12.

³ A War Office letter of August 7 (docket only preserved in Foreign Office archives) stated that the draft note seemed to state the Allied case adequately. On receipt of this letter instructions were sent to Paris in Foreign Office despatch No. 2293 of August 11 (not preserved in Foreign Office archives). Lord Crewe's despatch No. 1613 transmitted the text of the note of August 17 from the Conference of Ambassadors to the German Embassy in Paris (docket only preserved in Foreign Office archives) 'insisting on German Government's compliance with Conference Resolution of 4th March 1926'.

*Projet de lettre
à l'Ambassadeur d'Allemagne*

Monsieur l'Ambassadeur,

La Conférence des Ambassadeurs a pris connaissance de la réponse qui a été adressée le 17 Mai 1926 par le Gouvernement allemand à M. le Président de la C[ommission] M[ilitaire] I[n]teralliée de] C[ontrôle] au sujet des incorporations illégales dans l'armée allemande et de la préparation des cadres de complément: elle a été amenée à faire, à cette occasion, les constatations suivantes:

Le Gouvernement allemand, contrairement aux prescriptions de la résolution de la Conférence des Ambassadeurs du 4 Mars 1926, a négligé de soumettre à la C.M.I.C. les projets des textes législatifs élaborés en exécution de la résolution précitée. Il s'est borné à adresser à la Commission la copie d'une circulaire ministérielle qui a été envoyée le 3 Mai dernier aux formations de la Reichswehr. Or, cette circulaire n'est autre que celle dont le projet avait déjà été soumis à la Commission le 19 Décembre 1925 par le Commissaire d'Empire et qui, précisément, a été jugé d'abord par la Commission puis par la Conférence des Ambassadeurs dans sa résolution du 4 Mars 1926 comme ne pouvant suffire à elle seule à assurer l'exécution des réformes demandées. Le Gouvernement allemand fait valoir, il est vrai, que la circulaire du 3 Mai, pour être exactement appréciée, doit être rapprochée du décret du Président d'Empire du 24 Mai 1921 sur les associations. Mais il convient de remarquer que le décret ainsi invoqué concerne exclusivement les associations militaires et ne saurait, par suite, s'appliquer aux questions relatives au recrutement de l'armée et à la préparation des cadres de complément.

Par ailleurs, l'existence du décret du 24 Mai 1921 ne saurait se concilier avec celle du décret du 12 Février 1926 édicté en exécution des accords du 16 Novembre 1925 puisque le premier de ce texte donne pouvoir à certaines autorités d'ailleurs non définies d'autoriser l'organisation d'associations militaires tandis que le second prescrit sans aucune réserve la dissolution de telles associations. Sans doute, le Commissaire d'Empire affirme-t-il que la circulaire du 3 Mai 1926 a abrogé les dispositions du décret de 1921 concernant les associations, mais une semblable affirmation ne saurait être retenue car il est bien évident qu'un décret du Président d'Empire ne saurait être modifié par une simple circulaire ministérielle. Au surplus, le circulaire du 3 Mai ne fait nulle mention du décret du 24 Mai 1921 et les textes de ces deux documents apparaissent en fait comme entièrement distincts.

J'ai, en conséquence, l'honneur de prier Votre Excellence de bien vouloir porter les considérations qui précèdent à la connaissance de Son Gouvernement en lui faisant savoir que la Conférence des Ambassadeurs insiste de la manière la plus pressante pour que celui-ci se conforme aux prescriptions de la résolution de la C.A. du 4 Mars 1926 telles qu'elles lui ont été communiquées par la lettre de la C.M.I.C. du 8 avril 1926.

No. 123

Sir A. Chamberlain to Sir W. Max Muller (Warsaw)

Unnumbered Telegraphic [N 3428/24/55]

Private

FOREIGN OFFICE, August 2, 1926, 3.40 p.m.

Your letter to Gregory of July 21st,¹ also your telegram No. 100² (of 23rd July).

I fully sympathise with your indignation at attacks on yourself and particularly on Lady Max Muller, and Gregory will speak to Skirmunt on my behalf expressing my confidence that Polish government will at once take appropriate steps to protect His Majesty's Minister. In view however of critical character of approaching meetings of the League of Nations and of the importance of preserving all the influence we can exert on Polish government to prevent a repetition of the March fiasco, I must beg you to exercise great restraint. It would be most unfortunate to start embittered controversy at this moment on either personal or economic issues mentioned in your letter and telegram.

¹ See No. 101, note 6.

² No. 101.

No. 124

Sir G. Grahame (Brussels) to Sir A. Chamberlain

(Received August 3, 9.30 a.m.)

No. 90 Telegraphic [C 8626/436/18]

BRUSSELS, August 2, 1926, 9.42 p.m.

Your telegram No. 59.¹

When I spoke to Minister for Foreign Affairs this afternoon of Belgian Ambassador's proposal at conference of ambassadors, he was genuinely surprised and my representation was evidently the first he had heard of the matter. He said only instructions which he had given Belgian Ambassador were general ones in the sense of endeavouring to hasten execution of outstanding military control matters, and he further observed that he was now, as before, animated by same desire as you, namely to bring Germany into League as soon as possible without raising unnecessary questions in the meantime.

He then sent for minutes of 302nd meeting of Ambassadors conference on July 30th, from which it appeared that Belgian Ambassador in Paris made no proposal as reported in Paris telegram 311.² Matter was mentioned by Monsieur Massigli.

I informed Minister for Foreign Affairs of instructions sent to His Majesty's Ambassador in Paris in your telegram No. 202.³

He took note of them.

¹ No. 121.

² No. 115.

³ No. 120.

The French government, he said, feel strongly about certain proceedings of the German government, especially concrete shelters at Königsberg.

Minister for Foreign Affairs evidently to some extent shares these feelings, but I am sure that he had no intention of taking any personal initiative in the matter.

No. 125

Sir G. Grahame (Brussels) to Sir A. Chamberlain
(Received August 3, 9 a.m.)

No. 91 Telegraphic [C 8563/446/18]

BRUSSELS, August 2, 1926, 9.42 p.m.

I have carried out instructions in your despatch No. 570¹ and have informed Minister for Foreign Affairs fully and frankly of your position with regard to reduction of troops in Rhineland, the Saar, and a permanent form of League supervision in the Rhineland.

After listening to my exposition with entire sympathy he observed that French Minister for Foreign Affairs was quite aware of his views with regard to the Saar question.² He added that he had not hitherto devoted much study to that of League supervision in Rhineland, but promised to do so.

Minister for Foreign Affairs told me none of these questions had been mentioned in his hurried visit to Paris last week. Financial matters had been practically the only subject of discussion with French Ministers.

He leaves tomorrow to begin a cure at Spa.

¹ No. 113.

² Sir G. Grahame had previously reported on June 17 that M. Vandervelde had that morning informed him that 'he was in complete agreement with him [Sir A. Chamberlain] with regard to the question of the withdrawal of the French troops' from the Saar.

No. 126

Letter from Mr. Phipps (Paris) to Mr. Sargent
[C 8649/1618/62]

PARIS, August 2, 1926

My dear Sargent,

I must apologise for the delay in answering your letter of July 12th¹ (C 7305/1618/62). It has been due to my absence on leave and other causes.

2. As I stated in my despatch No. 1195² of June 28th, I think it is true that French critics of the policy of Locarno consider that it will, by giving the British and Italian guarantee to France, tend to limit her freedom of action in Central Europe. According to this school of opinion, were France to take an early initiative against an 'Anschluss' movement or a Hapsburg

¹ No. 88.

² No. 74.

restoration, she would risk the forfeiting of the guarantees, i.e., the Guaranteeing Powers might refuse to support her, or even act against her as the disturber of the peace. In the view of these critics, Locarno will mean that France will, before acting in Central Europe, think more than twice. This is doubtless all to the good from our point of view and from that of the general peace, but it means, in the opinion of certain Frenchmen, that the prestige of France in Central Europe will suffer and suffer as against that of Italy, whose freedom and rapidity of action remain unlimited by any guarantee, and whose prestige is fortified, as the Secretary of State observes in his minute,³ by the fact that she becomes with Great Britain a guaranteeing Power. I completely agree with the Secretary of State's view that 'some Frenchmen find a guarantee by Italy galling to their pride.'

3. With regard to the second paragraph of your letter, I think that even the most foolish Frenchman realises—with a great deal of misgiving—that the rise of the influence of Italy is chiefly due to the national revival of that country working on its geographical situation in relation to Central Europe, and that the corresponding decline in French prestige is influenced by French parliamentary and financial difficulties.

4. With regard to the question as a whole, I would draw attention to the last paragraph of my despatch in which I stated that, despite certain French criticism of the effect of Locarno on the position of France in Central Europe, France, even as regards Central Europe, was probably anxious to extend Locarno. As between France and Germany also, the appearance of a similar tendency is, as has already been pointed out in Embassy telegram No. 202⁴ of June 15th [1st], so far as Franco-German relations are concerned, one of the most satisfactory results, which Locarno has produced. Locarno, in this sense, seems to be a slope, the descent of which once begun there is no reason not to, and much reason to, complete. It would be affectation to pretend, however, that this descent causes intense pleasure to all Frenchmen. Nevertheless, once begun, it is difficult, if not impossible, to avoid continuing thereon, and this I think even the Nationalists well realize; hence their bitter opposition to the first glide down. Blum told me months ago that no French politician, not even Poincaré, could now go back upon the Locarno policy,⁵ so we need not feel undue concern about the outpourings of its more violent French critics.⁶

Yours ever,
ERIC PHIPPS

³ See No. 88.

⁴ No. 36.

⁵ See Volume I, No. 213. M. Léon Blum was Deputy for the Seine and leader of the Socialist group in the French Chamber of Deputies.

⁶ Sir A. Chamberlain minuted as follows on this letter: 'It is of course often disappointing & sometimes galling to find that Locarno has not done more & to read French criticisms on it & on England; but when all is said, the most striking thing is the force of momentum in Locarno. Si muove [things are moving]! A. C. 10. 8.'

*The Marquess of Crewe (Paris) to Sir A. Chamberlain
(Received August 5, 8.30 a.m.)*

No. 321 Telegraphic: by bag [C 8689/436/18]

PARIS, August 4, 1926

I was surprised to learn from paragraph 3 of Brussels telegram No. 90¹ of August 2nd that according to the minutes of the meeting of the Ambassadors' Conference on July 30th, the Belgian Ambassador in Paris had made no proposal as reported in my telegram No. 311² of that day.

2. The minutes of the last conference meeting have not yet been circulated by the Secretariat General, so I fail to understand how the Belgian Ministry for Foreign Affairs could have referred thereto. This afternoon I obtained an advance copy of the draft minutes, which had just been prepared by the Secretariat and am transmitting it to you in my despatch No. 1463.³ You will observe that the Belgian Ambassador did suggest that the Conference should address an energetic protest to Germany in regard to the non-execution of certain outstanding military control matters, and also expressed the fear that Germany, once a member of the League of Nations, might endeavour to avoid fulfilling her military obligations. Monsieur Massigli, in summing up the discussion proposed therefore that a note should be sent to the German government to hasten the execution of her engagements and to inform her that only after the fulfilment of these engagements would the Military Control Commission be allowed to be withdrawn.

3. In my despatch No. 1464,⁴ I am transmitting to you a note setting forth the views of the French delegation on these questions. I feel that the proposed draft prepared by the French delegation, provided that the final sentence 'ils ne doivent [*sic*] pas échapper . . .⁵ ne saurait être envisagé', were omitted, might meet the views of His Majesty's Government, as expressed in your telegram No. 202.⁶

4. I should be grateful, therefore, for your early views in the matter and at the same time would suggest that such a note, if approved, should be com-

¹ No. 124.

² No. 115.

³ Not printed.

⁴ Not printed. This despatch of August 4 transmitted a note from the French Delegation to the Conference of Ambassadors proposing that a note should be sent to the German Ambassador in Paris. The enclosed draft note was the same as the final text in No. 178 except that (i) the draft began: 'Les renseignements reçus par les Gouvernements alliés sur l'état d'exécution des clauses militaires du Traité, obligent la Conférence à vous demander de signaler de la manière la plus pressante à votre Gouvernement les préoccupations. . .'; (ii) the fourth paragraph of the draft read: ' . . . les demandes présentées par la Commission de Contrôle dans la plénitude de ses droits reçoivent sans retard satisfaction . . .'; (iii) the draft included a final paragraph which read as follows: 'Il ne doit pas échapper en effet au Gouvernement allemand que si ce résultat n'était pas obtenu et quelles que soient les autres considérations qui puissent entrer en ligne de compte, le retrait de la Commission ne saurait être envisagé.'

⁵ Punctuation as in original quotation.

⁶ No. 120.

municated to the German Ambassador in Paris, and not form the object of collective representations at Berlin.⁷

⁷ Sir A. Chamberlain stated in a minute of August 6 on this telegram: 'The French &c. have a grievance, for the Germans have really acted intolerably, taking every concession they could get, accepting the solution thus reached & then—not doing their agreed part. To plump down on the German side in these circs. would not, I fear, really help progress.'

No. 128

Sir A. Chamberlain to Mr. Randall¹ (The Vatican)

No. 141 [C 8053/1289/3]

FOREIGN OFFICE, August 4, 1926

Sir,

I have received and read with much interest Sir Odo Russell's despatch No. 111² of the 12th July last relative to the growing agitation in Austria and Germany for a political union between the two countries.

2. When a suitable opportunity offers for renewing the conversation, I shall be glad if you will inform the Cardinal Secretary of State in general terms of the substance of Sir Odo Russell's report to me on the general policy of the Vatican in this question and let His Eminence know that I have read the report with very great interest.

3. I notice in particular that the policy of the Pope is summed up in the phrase 'the peace of Christ in the Kingdom of Christ.' These words recall to me the earnest desire for the reconciliation of the nations which His Holiness expressed to me when I had the honour to be received by him in December 1924.

4. You should inform Cardinal Gasparri that these words express in the language which is natural to the Holy See the policy which His Majesty's Government are so earnestly pursuing. But His Majesty's Government feel that there is a very real danger that the progress which has already been made would be jeopardised if the question of the 'Anschluss' of Austria and Germany is raised in the present generation, to which the perils and events of the Great War are still such living memories. It is doubtless true that a section of opinion in Austria is in favour of the union of the two countries, but I am convinced that if this question were raised now in an acute form it would resuscitate old suspicions and controversies and would be a real danger to peace. In my opinion, there are few questions in present-day politics more fraught than that of the 'Anschluss' with peril to the lofty ideal of the Holy See, and there are none which would more certainly delay its progress and endanger its realisation.³

I am, &c.,

AUSTEN CHAMBERLAIN

¹ Second Secretary in H.M. Mission to the Vatican.

² No. 87.

³ Sir O. Russell reported in his despatch No. 150 of October 1 that he had spoken as instructed to Cardinal Gasparri who had reassured him regarding the Holy See's views as to the danger to the peace of Europe of raising the question of a possible 'Anschluss'.

*Sir A. Chamberlain to Viscount D'Abernon (Berlin)**No. 88 Telegraphic [C 8736/968/18]**Urgent*

FOREIGN OFFICE, August 5, 1926, 3.5 p.m.

Coblentz telegram No. 29¹ (of the 1st August. Ge[r]mersheim incident).

Copies of all relevant despatches go to you by bag.

Meantime German Chargé d'Affaires² called here on August 4th on instructions in order to support proposal for special mixed commission reported in Lord Kilmarnock's telegram.

He was informed that we could not support the proposal. Since the German Ambassador made his original representations to me³ I had received full report⁴ of the other side of the case and it seemed clear that the German account was not correct or even approximately correct. He had expressly stated that there was nothing political in the demonstration. If he had told me that the names of French defeats had been inscribed on the flags and decorations flown or had mentioned that such songs as 'Siegreich wollen wir Frankreich Schlagen'⁵ had been sung, I would have spoken very differently. Of course I did not suggest that there had been any idea of deception by His Excellency, but I had certainly not had before me a full or fair statement of the case.

It was next pointed out to Herr Dufour that the very fact of holding such a ceremony in a small place like Ge[r]mersheim where the occupying troops numbered as many as the German inhabitants had been deliberately to ask for trouble. Nor was it understood why no previous consultation had taken place with the occupying authorities in order to allow precautionary measures to be taken to prevent the almost inevitable incidents. (I ought here to interpolate that Dr. Sthamer when summarizing the German note had expressly declared to me that such consultation had taken place and that the explanations offered by the Burgomaster had satisfied the French authorities.) But now the thing of real importance was to stop this wretched business from further development: quite enough harm had been done already and what now mattered was to prevent its reaction marring the policy of conciliation with the initiation of which Dr. Stresemann was so honourably associated. Could not the German government be induced to drop this foolish proposal for a mixed enquiry which would only intensify animosities and, if it became public property, lead to a national explosion and exacerbation on both sides? Moreover let the German government be under no misapprehension that

¹ Not printed. This telegram reported that the 'German Commissioner has communicated to High Commission some fresh cases of alleged misbehaviour by French soldiers at Germersheim on July 4th-July 5th, and has proposed a special mixed commission of enquiry'. The Belgian High Commissioner was personally opposed to this proposal and agreed with Lord Kilmarnock that it would be 'strenuously resisted by the French'.

² Herr Dufour-Feronce, Minister in the German Embassy in London.

³ See No. 99.

⁴ See No. 116, note 1.

⁵ 'Victoriously we will beat France.'

they were the only aggrieved party: far from it, the French authorities felt (and according to my information had every reason to feel) that the injury was on their side. This also might have concrete results and it was conceivable that we might find ourselves obliged, in the interest of peace and good government in the Rhineland, to authorise the High Commission to re-introduce preventive legislation regularising such matters as public meetings, demonstrations, hoisting of flags and the like. That we should greatly deprecate, and if the German government on their side would concentrate on letting the matter drop and on shelving this proposal for a mixed enquiry, we on our side would exercise counsels of moderation as regarded the re-introduction of repressive legislation. There would then be a clear field in the realm of high policy between now and September and everyone would heave a sigh of relief that the present tension had been relaxed.

Herr Dufour, who had naturally tried to make out the best case he could in favour of the enquiry, promised to telegraph to Berlin urging our point of view.

Please see Dr. Stresemann and put it to him that it would really be lamentable if this wretched fracas at Ge[r]mersheim were to mar the policy by which he and I both stand. Let him drop the idea of the enquiry and let him still this agitation about Ge[r]mersheim: it would be folly to allow it to continue.

Addressed to Berlin No. 88. Repeated to Paris No. 208⁶ by bag. Coblenz No. 30, and Brussels No. 60.

⁶ Sir A. Chamberlain's telegram No. 209 to Paris added that he trusted that the French Government would do nothing hasty, and that he was convinced that the proposed re-introduction of repressive legislation should not be considered further. His telegram No. 32 to Coblenz instructed Lord Kilmarnock to take his cue from the present telegram to Berlin and to do his best 'to prevent (a) any action on German proposal [for a mixed enquiry], and (b) any re-enactment of repressive ordinances.'

No. 130

*Sir G. Grahame (Brussels) to Sir A. Chamberlain
(Received August 6, 1.15 p.m.)
No. 93 Telegraphic [Telegrams 45]*

BRUSSELS, August 6, 1926, 11.26 a.m.

My telegram No. 90.¹

I have this morning received a note from M. Vandervelde stating that after my conversation with him on 2nd August he informed Belgian Ambassador in Paris that he shared your views and could not agree to suggestion to inform Germany at present ('déclarer actuellement') that her entry into League would not imply suppression of control by Military Control Commission. He had, on the other hand, authorised Belgian Ambassador to

¹ No. 124.

agree to any communication calling upon German Government, in its own interest, to fulfil those disarmament obligations still incumbent upon it before Geneva meeting.

Text of note by bag.²

² In Brussels despatch No. 735 (not preserved in Foreign Office archives).

No. 131

Viscount D'Abernon (Berlin) to Sir A. Chamberlain
(Received August 6, 5.40 p.m.)

No. 198 Telegraphic [C 8764/968/18]

BERLIN, August 6, 1926, 3.20 p.m.

Your telegram No. 88.¹

Stresemann only returns to Berlin on Monday² but I have had a long discussion with Secretary of State.

His Excellency does not press for proposed committee of three. This was not meant as a formal commission of enquiry but merely as an informal and friendly endeavour to get the facts. If its appointment arouses susceptibility, Secretary of State is quite ready to fall in with any other reasonable proposal. German government cannot altogether drop the matter, leaving it on sole basis of letter of Rhineland Commission of July 31st;³ but they entirely share your view that this incident—about which it must obviously be difficult to ascertain impartial truth and where quite probably there were faults on both sides—must not be allowed to spoil the atmosphere for larger negotiations.

Instructions in the spirit of above are being sent to Baron Langwerth and it is hoped that the matter will be settled locally.

So far press in this part of Germany has not taken the matter up and German government are doing what is possible to keep the whole incident out of the papers.

Addressed to Foreign Office No. 198 of August 6th. Repeated to Coblenz No. 7.

¹ No. 129.

² August 9, 1926.

³ See No. 116, note 1.

No. 132

Viscount D'Abernon (Berlin) to Sir A. Chamberlain
(Received August 6, 9.45 p.m.)

No. 199 Telegraphic [C 8777/446/18]

Confidential

BERLIN, August 6, 1926, 6.10 p.m.

Hoesch had long conversation with Monsieur Briand on August 3rd. Monsieur Briand's attitude was eminently conciliatory and farsighted.

He complained without bitterness that in certain particulars German government were not facilitating his task. Main points were:—

- (1) Amnesty for political offences in Rhineland;
- (2) Attacks by press on allied troops;
- (3) Control of national associations. Against this debit balance he could bring forward:

1. Non-reduction of Rhineland garrison;
2. Marshal Foch's interview in weekly despatch.¹

Latter seems to have little importance, but first is vital.

I have discussed position with Secretary of State and incline to the view that if considerable decrease of troops of occupation was granted . . .² with execution of guarantee within short time, German government would give satisfactory statements on three points mentioned above. By considerable decrease is meant consistent decrease.³

German government argue that above-mentioned reduction is due on previous agreement and on letter of Conference of Ambassadors of November 14th, 1925, so that no counter-concession on their part can now justly be claimed.

On the other hand they realise that it is to their interests to facilitate Monsieur Briand's task, with his colleagues and with the military authorities.

¹ In an interview published in *The Weekly Dispatch* of August 11, 1926, Marshal Foch had stated in particular that 'mentally Germany is arming. Physically she cannot do much as long as there is an Allied Commission of Control. But when that comes to an end we shall see better what is in her mind, and disarmament is not what she will be thinking of.'

² The text is here uncertain. Another text of the telegram here read: 'granted positively, with execution guaranteed within a short time'.

³ Another text of the telegram here read: 'is meant 15,000 men'.

No. 133

The Marquess of Crewe (Paris) to Sir A. Chamberlain
(Received August 7, 8.30 a.m.)

No. 324 Telegraphic: by bag [C 8756/968/18]

PARIS, August 6, 1926

Your telegram No. 209¹ of yesterday. (Germersheim incident.)

Mr. Phipps informed Monsieur Berthelot today of your views and action at Berlin, and he seemed much gratified. He said that he² had summoned the German Ambassador to the Quai d'Orsay the day before yesterday, and had informed him categorically that the French government could not possibly contemplate proposal for Mixed Commission. He then recapitulated to him

¹ See No. 129, note 6.

² It is possible that the reference should have been to M. Briand. A note of August 5 from the French Ambassador in London recorded an interview, on similar lines to that indicated below, between M. Briand and Herr von Hoesch. The note mentioned an incident of July 5 when three companies of German troops passed through Appenweier in the zone demilitarized in accordance with article 43 of the Treaty of Versailles, and the incident at Coblenz (cf. No. 116, note 5) as additional French complaints against Germany.

recent serious infringements of the treaty by Germany, the most important of which was the following:—

Twelve German ships containing 'old iron' were caught in the ice at the beginning of July in the gulf of Finland on their way to Kronstadt. A German cruiser was summoned and succeeded in getting out eleven of the ships, but the 12th was eventually rescued by the Finnish government and taken to an Esthonian port where five thousand Mauser pistols and thirty tons of arsenic for poison gas were discovered.³

The German Ambassador, Monsieur Berthelot said, seemed taken aback by this list of grievances and promised to inform his government.

Monsieur Berthelot seems quite reasonable and promised Mr. Phipps that the suggestion for the reintroduction of repressive legislation by the High Commission would be dropped. He pointed out, however, that the Germans must understand that these constant acts of violence and bad faith must cease.

Addressed to Foreign Office No. 324. Repeated to Coblenz, Brussels and Berlin in 'R'.

³ This incident had been reported by Mr. Rennie, H.M. Minister at Helsingfors, in his telegram No. 11 of July 2, in which he further stated: 'Finnish Government now suspect that other vessels in same convoy also contained warlike cargo. . . . Soviet Government at the time showed great anxiety and sent all available ice-breakers to release ships.' It was considered in the Foreign Office that there was insufficient evidence to bring the matter before the Conference of Ambassadors as a breach by Germany of article 170 of the Treaty of Versailles.

No. 134

Mr. Roberts (Geneva) to Sir A. Chamberlain (Received August 9)

No. 16 L.N.C.C. [W 7319/78/98]

GENEVA, August 6, 1926

Sir,

I have the honour to report that the second session of Sub-Committee 'A' (Military) of the Preparatory Commission on Disarmament was opened on August 2. All the Governments who had taken part in the work of the first session were represented, with the exception of Brazil. A telegram was read out from the Brazilian Delegation stating that, owing to the circumstances which had arisen, it would be unable at present to take part in the work of the Sub-Committee. On the proposal of Colonel Temperley, the Sub-Committee expressed its regret that the Brazilian Delegation was not at the moment taking part in its labours.

2. M. Cobian (Spain), who had returned to Madrid after the first few meetings of the Sub-Committee at the beginning of June, resumed the chairmanship. This is taken here as an indication that the Spanish Government no longer adhere to a policy of rigid abstention from the work of the League.

3. The whole of the first meeting was devoted to a discussion of procedure. The chairman proposed, as a mark of courtesy to the British Delegation, that the debate on the second part of Question III (alternative methods of reducing

and limiting armaments) should be temporarily adjourned owing to the accident which had befallen Admiral Aubrey Smith. This suggestion was generally approved, although Colonel Temperley uttered a warning against setting up a dangerous precedent and assured the Sub-Committee that the British Delegation were quite prepared to take part in any discussions.

4. General de Marinis (Italy) then proposed that, in order to save time, naval and air committees should be set up at once to deal with Question VI (distinction between civil and military aircraft; and the question whether military value should be assigned to commercial fleets), and that while these technical committees were meeting in the afternoons, general discussion on the remaining questions should be continued by the full Sub-Committee in the mornings. This proposal was warmly supported by the French who pointed out that at an earlier stage the Air Committee, in discussing standards for comparing air armaments, had been hampered by the fact that this question had not yet been settled, and expressed the fear that the same thing might happen if the Sub-Committee embarked at once on a discussion of methods of reducing or limiting air armaments. On the other hand, the French favoured a general discussion embracing all three arms of methods of reduction and limitation (Question III) concurrently with an examination of Question VI.

5. Eventually the Sub-Committee agreed to General de Marinis' proposal, but decided that, pending Admiral Aubrey Smith's arrival, the main Committee should adjourn discussion of Question III and pass on to Question IV, which read as follows:

- (a) Are there any armaments (and, if so, what) which are only capable of being used for the defence of a State's territory?
- (b) Is there any method of ascertaining whether a certain force is organised for purely defensive purposes (no matter what use may be made of it in time of war), or whether, on the contrary, it is established in a spirit of aggression?

6. The next two days were spent in a discussion of Question IV based on two papers drawn up respectively by the British and French Delegations. At the end of this time no progress had been made. A great deal of time was lost in debating points of procedure, and this may have been partly due to the fact that M. Cobian is still more or less a stranger to the Sub-Committee and has so far shown little capacity for guiding it along the right lines. But the main difficulty lay rather in the fact that the Delegations principally concerned and, in particular, the French and British, had had no opportunity of consultation before the question was debated in full session. Following their instructions the British Delegation advanced the view that with the possible exception of fixed defences there were in reality no armaments which could only be used for the defence of a State's territory and that even this exception should be qualified by the consideration that the use of such defences in one area might lead to the release of other armaments for offensive operations elsewhere. They urged that these exceptions were almost negligible when compared with the total armaments of a country and that

to compile a small and somewhat debatable list of such armaments was unnecessary. As to the second part of the question, they maintained that it was impossible from a technical point of view to judge whether a force was designed only for defensive purposes, since the sole criterion lay in the intentions of the government by which it was controlled.

7. The French were unwilling to accept this point of view. At the meeting of the Preparatory Commission M. Boncour had said that, by a methodical analysis of the system on which national land, sea or air forces were based, it would be possible to see whether over a period of years they were maintained for purely or mainly defensive purposes.¹ The French Delegation during this week's discussion urged that this analysis should be applied to such factors as the age of the material with which forces are equipped, its mobility, and the proportion of fully trained men to the total personnel. They did not, they said, wish to exclude from the subject matter of limitation any purely defensive armaments, but since countries would be asked to justify the proposals they might make at an international conference, it seemed necessary to determine which armaments were exclusively intended for defensive purposes and which were not. It is believed that the French General Staff are contemplating the construction of a strong skeleton defensive system on their eastern frontier and that they are anxious to be able to prove that it is of an entirely legitimate character. The French Delegation were not, therefore, prepared to subscribe to a statement which affirmed *a priori* that purely defensive armaments were of slight importance, and in asking for a list to be drawn up they were able to point out that this was precisely what the Preparatory Commission had asked the Sub-Committee to do. On the British side, there was some anxiety lest they might be drawn into a controversy on the questions of submarines of low power of endurance and small radius of action. In the end this fear proved unfounded.

8. At the end of two days' discussion General de Marinis proposed that the French and British should endeavour together to draw up a combined list of the armaments defined in the question. The Sub-Committee, eager to find a way out of an apparent *impasse*, readily agreed to this course and nominated General de Marinis as chairman of this small drafting committee. By Thursday² afternoon the drafting committee were able to submit an agreed reply, the text of which will be found in papers C.P.D./C. 'A'/81 and 81(a)³ enclosed herein. This text has, with a few unimportant amendments, now been accepted. The main conclusion is that, generally speaking, those armaments are only capable of being used for the defence of a State's territory which cannot be moved under their own power or can only be transported after long delay. Vessels capable of use only within a strictly limited distance of the national coast line are not admitted as purely defensive since all such

¹ See *Documents of the Preparatory Commission for the Disarmament Conference*, Series II, p. 87.

² August 5, 1926.

³ Not printed: see the final text of the commentary on Question IV, Sections I-II, printed in *Report of Sub-Commission A* (League of Nations document No. C. 739. M. 278. 1926. IX: C. P.D. 28), pp. 141-3.

craft are capable of being transported either as a whole or in sections and, if maintained near the coast of another State or close to an important trade route, would acquire a high potential offensive value. As regards the second part of the question, the main conclusion reached is that the principal test whether a force is designed for purely defensive purposes or built up in a spirit of aggression remains the intentions of the country concerned. At the same time, it is agreed that the method of comparison suggested by the French and alluded to in paragraph 7 of this despatch, would at least furnish a useful indication of the general tendency of a particular military, naval or air organisation.

9. The Air Committee began yesterday its examination of the question whether civil and military aircraft can be distinguished for purposes of disarmament. The French Air representative maintained that for all practical purposes large up-to-date commercial aeroplanes and military bombing planes were indistinguishable. The German representative advanced the opposite view. It was eventually agreed, at Group Captain MacNeece's⁴ suggestion, that the German Delegation should put in writing for what reasons they differentiated between these two categories in respect of (a) horizontal speed, (b) loading capacity, (c) radius of action.

10. It is well-known that the French will not listen to any proposals for disarmament in the air that do not take into account the civilian aircraft industry in Germany. According to the French Air representative here, they do not suggest direct limitation of civil aircraft, but they wish to see the two types related in some manner. If, for instance, air armaments were limited by a total allotment of horse-power, expansion of civil aviation should automatically be followed by a corresponding restriction of military aviation. The ratio would not, however, be a direct one, military aircraft being given a higher value than civil aircraft. He does not believe that subsidies to civil aircraft companies could be directly restricted, but he favours their indirect restriction by a total budgetary allotment for *all* aircraft services. The contribution of municipalities and other local authorities would have to be included in this allotment.

I have, &c.,

WALTER ROBERTS

⁴ Group Captain MacNeece of the Directorate of Operations and Intelligence in the Air Ministry was a member of the British Delegation at Geneva.

No. 135

Minute by Sir V. Wellesley¹

[C 8807/446/18]

FOREIGN OFFICE, August 7, 1926

M. Cambon² called this morning & left this letter with me. He expressed the hope that I might give him an answer not later than Monday³ as to

¹ Deputy Under Secretary of State for Foreign Affairs.

² M. Roger Cambon, Counsellor in the French Embassy in London.

³ August 9, 1926.

whether you agree to the proposed meeting between M. Fromageot and Sir C. Hurst sometime next week.⁴

V. W.

P.S. I am warning Sir C. Hurst who is at present on leave in the country.

ANNEX TO No. 135

Letter from M. Briand to Sir A. Chamberlain

PARIS, le 6 Août 1926

Mon cher ami,

J'ai été vivement touché des sentiments que m'exprime la lettre que vous aviez chargé Son Excellence Lord Crewe de me remettre de votre part.⁵ J'y ai trouvé un témoignage précieux des sentiments personnels qui sont les vôtres et qui, vous le savez, sont aussi les miens. J'y ai trouvé également la preuve de la complète identité de vues de nos Gouvernements sur le but que nos deux Nations poursuivent en commun.

Faut-il ajouter que j'adhère sans réserve à ce que vous dites de la tâche que nous avons entreprise, de l'importance des résultats déjà obtenus, de la nécessité où nous sommes de les développer encore et de la méthode qui le permettra? Sans une entente complète et intime entre nos deux pays, la politique de Locarno sera fatalement exposée à des attaques auxquelles il lui sera peut-être difficile de résister et l'Allemagne, où tous les esprits ne sont pas acquis sans réserve à la nécessité de cette politique, cherchera à profiter du moindre désaccord qui se produira entre nous pour formuler des exigences qui ne pourraient, sans un grand danger pour l'avenir de la paix, recevoir satisfaction. C'est parce que j'ai cette conviction intime que j'ai, comme vous, le vif désir de réaliser entre nous une entente complète sur les trois questions qui vous préoccupent et qui sont en effet parmi les plus importantes de celles qui s'imposent à l'heure actuelle à notre attention.

La première de ces questions est celle des effectifs des troupes d'occupation de Rhénanie.

Vous êtes, à cet égard, frappé des assurances écrites ou verbales que nous avons données à plusieurs reprises au Gouvernement allemand et vous jugez que rien n'a encore été fait pour traduire en actes ces promesses; vous craignez que 'ce manquement à la foi jurée' ne mette le Gouvernement allemand dans une situation très fausse: en tout cas, notre parole est engagée et notre promesse doit être tenue.

Je n'ai eu à aucun moment l'intention de me soustraire à l'exécution d'une promesse; mais, tout en reconnaissant avec vous qu'il est désirable de diminuer sans retard les chiffres d'occupation, et j'indiquerai plus loin les décisions que le Gouvernement français a déjà prises à cet égard, je crois qu'il aurait de sérieux inconvénients à accepter sans plus la thèse allemande d'après laquelle nous avons, à cet égard, contracté des engagements sans contrepartie.

⁴ Sir A. Chamberlain, to whom this minute was addressed, welcomed the proposed meeting which took place on August 13: cf. No. 267.

⁵ See No. 112.

La lettre du 14 novembre à laquelle vous faites allusion, et qui n'envisage d'ailleurs qu'une réduction 'sensible' des troupes d'occupation, contient un paragraphe que le Gouvernement allemand a un peu trop perdu de vue. En annonçant les mesures que les Puissances occupantes se proposaient de prendre, la note ajoutait en effet:

'Les Gouvernements participant à l'occupation, marquent ainsi leur désir d'appliquer dans les Territoires rhénans une politique très libérale; ils font confiance à la bonne volonté et à l'esprit de collaboration des autorités et de la population allemandes pour faciliter la tâche des Autorités d'occupation en ce qui concerne l'ordre public, la sécurité et les besoins des armées. Ils espèrent fermement que le concours sur lequel ils comptent du côté allemand ne leur manquera pas.'

Vous savez, comme moi que le concours sur lequel nous comptions nous a fait défaut en grande partie. Tout récemment et avant même d'avoir reçu la note du Gouvernement allemand,⁶ j'avais chargé l'Ambassadeur de France à Berlin d'attirer, sur cet aspect de la question, l'attention des autorités allemandes. Qu'il s'agisse de l'amnistie, qu'il s'agisse des manifestations nationalistes ou de l'activité, qui devient dangereuse, des associations à la limite des territoires occupés ou dans ces territoires même, nous ne trouvons point chez les autorités allemandes l'état d'esprit qui serait désirable. Vous avez vous-même eu l'occasion d'adresser au Gouvernement allemand certaines observations dans ce sens. Lorsque je demande aux Autorités militaires d'étudier des réductions d'effectifs, elles font observer que l'audace croissante des associations nationalistes n'est pas pour leur donner toute tranquillité à cet égard et votre Haut-Commissaire en Rhénanie vous a certainement rendu compte des incidents multiples où se traduit le fâcheux état d'esprit qui est encore répandu chez trop de fonctionnaires. Je n'ai pas besoin de mentionner non plus le sans-gêne croissant avec lequel certaines autorités militaires s'affranchissent de dispositions du Traité⁷ aussi fondamentales que celles qui concernent la zone démilitarisée de la Rive droite du Rhine; en particulier, vous savez certainement qu'une grave violation du Traité en cette matière vient d'être signalée par le Commandant en chef de l'Armée du Rhin.⁸

Quoi qu'il en soit, j'estime que nous ne devons pas invoquer ces griefs pour ne rien faire, mais seulement y voir des raisons pour agir avec prudence, tout en apportant aux charges de la population allemande dans les territoires occupés l'allègement sensible que nous avons promis. En ce qui le concerne, mon Gouvernement avait décidé, — et je viens d'être informé par le Ministre de

⁶ See No. 107, note 1.

⁷ The Treaty of Versailles.

⁸ In Foreign Office despatch No. 279 to Coblenz of August 14 Sir A. Chamberlain enquired whether Lord Kilmarnock was 'aware of the events to which Monsieur Briand refers'. Colonel Ryan replied in Coblenz despatch No. 160 of August 23 (not preserved in Foreign Office archives). The docket stated: 'Only traceable violations of zone are in connexion with visits of military bands and passage of three companies of infantry though Appenweiler on July 5th [cf. No. 133, note 2]. French High Commissioner has no further information other than a few instances of visits of military bands.'

la Guerre que les décisions prises à cet égard allaient recevoir leur effet, — de diminuer les effectifs de l'Armée française de Rhénanie de 6,000 hommes environ: le retrait des troupes va commencer immédiatement et se poursuivra durant le mois de septembre; c'est la plus forte réduction que nous puissions actuellement envisager, et lorsqu'elle aura été réalisée, j'estime que le Gouvernement allemand n'aura plus aucun sujet légitime de doléances. J'ai d'ailleurs mis au courant hier l'Ambassadeur d'Allemagne qui m'a paru apprécier vivement cette décision.

Il me semble d'ailleurs qu'il existe sur les chiffres des effectifs actuels des malentendus dont l'Allemagne cherche à profiter. D'après les renseignements qui me sont donnés, les effectifs alliés dans la deuxième et dans la troisième zone seraient, dans l'ensemble, inférieurs de plus de 12,000 hommes aux effectifs de janvier 1925 et, si la comparaison avec les chiffres d'octobre 1925 fait apparaître un léger excédent, ce ne serait là qu'une apparence, les événements du Maroc et de Syrie nous ayant obligés, à l'automne dernier, à opérer des prélèvements importants sur l'Armée du Rhin, sans pour cela abandonner d'ailleurs les casernements et les logements affectés aux officiers ou aux hommes ainsi enlevés de Rhénanie.

En ce qui concerne l'Armée française, ces effectifs dans la deuxième et la troisième zone étaient, en janvier 1925, de 77,700 hommes, et, en octobre 1925, de 62,000; en mai dernier, par contre, ils n'étaient plus que de 55,800. Si vous tenez compte, en outre, des réductions décidées, ainsi que je vous l'indique plus haut, vous reconnaîtrez certainement que nous avons fait un effort considérable, supérieur proportionnellement à celui des autres Armées. J'ajoute que sur ce sujet, une note technique complète vous sera incessamment adressée.⁹

La lettre de la Conférence des Ambassadeurs, en date du 14 novembre, avait annoncé un allègement des charges de l'occupation: si le Gouvernement et l'opinion allemandes sont de bonne foi, ils devront reconnaître que nous avons fait dans ce sens un effort important et qui a abouti à des résultats appréciables.

J'en viens à la question des troupes de la Sarre. Elle ne me préoccupe pas

⁹ This note, which was communicated to the Foreign Office by the French Ambassador on August 16, is not printed. It stated in particular: 'à la fin de septembre, les effectifs français seront ramenés à 53,000 environ, soit une réduction:

De 24,000 hommes par rapport à janvier 1925;

De 12,000 hommes par rapport à novembre 1925.

'Par rapport aux effectifs existant en novembre 1925 dans la deuxième et dans la troisième zones seules, l'armée française aura donc été réduite de près de 19 pour cent.

'Encore, pour avoir la physionomie des effectifs actuellement présents faut-il, en ce qui concerne l'armée française du moins, diminuer les chiffres donnés plus haut de 10 pour cent environ, proportion des permissionnaires momentanément absents de leurs corps.' The note further stated that French requisitions for billeting had been reduced from 8,907 on October 1, 1925, to 7,693 of July 1, 1926. In Berlin telegram No. 227 of August 26, Lord D'Abernon stated that if this information were communicated to the German Government it would be helpful to Dr. Stresemann's defence of his policy.

moins que vous et, avant même d'avoir reçu votre lettre, j'avais chargé M. de Fleuriau de reprendre la conversation avec vous sur ce grave sujet, car, comme vous, je crois indispensable que nous nous mettions d'accord sur une solution commune et que nous ne soyons pas divisés lorsque la question viendra au Conseil.

Je ne veux pas développer ici tous les arguments pour lesquels il m'apparaît nécessaire de nous en tenir, avec quelques modifications de détail, notamment en ce qui concerne les effectifs, au principe des propositions contenues dans le rapport de la Commission de Gouvernement. Un memorandum spécial vous sera remis par M. de Fleuriau¹⁰ qui fera valoir des arguments que je vous demande de considérer avec la plus sérieuse attention. Je ne voudrais ici retenir que quelques points essentiels.

Tout d'abord, après avoir pris l'avis de nos conseils juridiques les plus autorisés, je persiste à penser que les termes du Traité⁷ ne sont nullement inconciliables avec la présence en Sarre d'un contingent affecté à la protection des voies ferrées et tel est aussi, sans doute, l'avis de la Commission de Gouvernement qui, aux termes de l'annexe sur la Sarre, a qualité pour en interpréter à la majorité les dispositions, car la majorité n'aurait certainement pas formulé des propositions qu'elle eût jugées incompatibles avec les stipulations du Traité.

Je vous demande de considérer que la question qui se pose est, de l'avis de nos Autorités militaires, capitale pour la sécurité de l'Armée de Rhénanie. Quels que soient les sentiments que l'on puisse avoir sur la portée des dispositions auxquelles vous faites allusion dans votre lettre, il ne faut pas oublier que ces dispositions ne sont qu'un élément de l'ensemble du Traité et l'on ne peut attendre que nous les interprétions de telle manière que toute une autre partie du Traité devienne inapplicable. Nous considérons que, si l'on ne maintient pas en Sarre un faible contingent n'ayant d'autre tâche que d'assurer éventuellement la protection des voies ferrées, l'occupation de la Rhénanie elle-même risquerait d'être, à un moment donné, compromise. Ainsi que l'indiquait déjà la note du Gouvernement français, en date du 5 Juin dernier,¹¹ le contingent dont, avec la majorité de la Commission, nous jugeons la présence nécessaire, n'est d'ailleurs pas et ne doit pas être un contingent exclusivement français. L'occupation de la Rhénanie a un caractère interallié et c'est par un contingent interallié, prélevé sur les troupes de Rhénanie, qu'il convient de faire exercer la mission de protection des voies de communication que nous estimons indispensable. Il ne s'agit donc nullement de maintenir en Sarre une garnison française, il ne s'agit que d'avoir en Sarre un faible détachement interallié chargé d'une mission parfaitement délimitée.

Cela ne nous paraît en rien en contradiction avec les termes du Traité. J'ajoute que dans le Territoire de la Sarre les casernes abondent et que la présence de ce contingent n'entraînera, pour la population, aucune charge d'aucune sorte.

¹⁰ This lengthy memorandum, which was communicated to Sir A. Chamberlain under cover of a letter of August 13 (see No. 137, note 4), is not printed.

¹¹ See No. 33, note 7.

Je souhaite si vivement vous éclairer complètement, ainsi que vos conseils sur l'aspect juridique de la question, que je voudrais envoyer à Londres, dès le début de la semaine prochaine, M. Fromageot, qui pourrait ainsi examiner à fond l'aspect juridique du problème avec vos experts.

La troisième question dont vous voulez bien m'entretenir concerne la présence dans la zone démilitarisée d'un organe permanent d'investigation placé sous l'autorité de la Société des Nations. C'est là, je le reconnais, une question fort délicate et qu'il ne sera probablement pas possible de résoudre sans l'agrément du Gouvernement allemand. Mais, sans négliger les objections juridiques que nous rencontrons et qui sont sérieuses, mais non pas insurmontables, je vois l'intérêt très grand que tous les signataires de Locarno, et je n'en n'exclus pas l'Allemagne, devraient également reconnaître à l'organisation envisagée.

Je constate que, depuis que les postes que la Commission de contrôle entretenait dans la zone démilitarisée ont été retirés, les violations de cette zone par les autorités militaires allemandes tendent à se multiplier. Or, le Gouvernement français, quel qu'il soit, ne pourra jamais tolérer que les clauses de démilitarisation ne soient pas strictement observées. Devrons-nous, chaque fois qu'une violation parviendra à notre connaissance, mettre en oeuvre la procédure de Locarno? Demanderons-nous à la Société des Nations d'exercer son droit d'investigation? Ce sera chaque fois surexciter l'opinion publique et provoquer des polémiques nuisibles à l'apaisement général. Si, au contraire, il est entendu dès l'origine que la Société des Nations possédera, dans une zone que les traités ont soumise à un régime spécial, quelque organisme de contrôle, on hésitera probablement davantage à contrevenir à des clauses formelles des traités et, d'autre part, la constatation des manquements éventuels pourra se faire sans tapage et sans émouvoir outre mesure l'opinion.

Ce sont là des considérations qui se sont imposées avec une grande force à mon esprit et auxquelles le Gouvernement allemand, s'il est vraiment dans l'intention loyale de se conformer au traité, ne devrait pas être lui-même insensible. Je vous demande d'y réfléchir de votre côté et je serais heureux de vous voir disposé à en tenir dans la pratique. J'ajoute d'ailleurs que, si importante que soit cette affaire, il n'est peut-être pas indispensable d'arriver à une solution définitive dès le mois de septembre; il devrait suffire que la question fût mise à l'ordre du jour de la session de décembre du Conseil.

Avec une franchise dont je vous sais gré, vous m'avez, mon cher Ami, fait connaître votre opinion; avec la même franchise, je viens de vous exposer ma manière de voir. Dois-je dire que j'ai pleinement confiance que le sentiment qui nous anime également de la nécessité de notre union, que la volonté que nous avons de ne pas laisser entamer notre accord, nous permettront de nous entendre à très bref délai sur des solutions communes?

Tel est, du moins, mon désir le plus cher qui est certainement aussi le vôtre, car, comme vous le dites, rien ne serait plus affligeant que de voir nos

deux pays dans des questions ou leurs intérêts coïncident, soutenir publiquement des thèses opposées.

Veillez agréer, mon cher ami, l'expression de ma vive et sincère amitié

ARI. BRIAND

No. 136

Sir A. Chamberlain to Viscount D'Abernon (Berlin)

No. 91 Telegraphic [C 8780/968/18]

FOREIGN OFFICE, *August 9, 1926, 6.30 p.m.*

Your telegram No. 198¹ (of the 8th [6th] August: Germersheim incident).

It is evident that Herr von Schubert does not in the least realise gravity of the situation. I can only hope that when you see Dr. Stresemann himself he will do so; for I am not exaggerating the potential effects of this wretched case upon higher policy if Germany insists on pressing it further. Neither I nor the French (nor presumably the Belgians) have any intention of accepting German proposal for an enquiry. It is thus pure folly for German Reichskommissar to continue to press it: he is merely running his head against a brick wall.

Meantime you will have realised from Paris and Coblenz telegrams repeated to you that my idea of abandoning suggestion of reversion to prohibitive ordinances has been accepted without demur²—indeed far more easily than I had anticipated. But let Dr. Stresemann be under no misapprehension. If anything further is said about the Germersheim incident, on his head be it. I shall not only withdraw my opposition to proposed legislation but shall in all probability be forced actively to support it. For we cannot possibly tolerate incidents of this kind in the occupied territories and I should prefer standing legislation, retrograde though it might appear, rather than another Germersheim with its attendant friction and bad-feeling.

German Chargé d'Affaires who called to-day on this subject has been informed accordingly.

Addressed to Berlin No. 91. Repeated to Paris No. 212 (By Bag), Brussels No. 63 and Coblenz No. 34.

¹ No. 131.

² See No. 133. Coblenz telegrams Nos. 31 and 33 of August 6 are not printed.

No. 137

Letter from Sir A. Chamberlain to M. de Fleuriau

[W 7022/223/98]

FOREIGN OFFICE, *August 9, 1926*

My dear Ambassador,

I must apologise for my delay in answering the enquiries which you made of me on the 29th July on instructions received from Monsieur Briand.¹

¹ See No. 114.

The delay is due in part to the pressure of business which always accompanies the close of the session,² and in part to the time taken in communication with colleagues who had already left town before I was able to place my views before them.

In our conversation you were good enough to give me some account of the proposals for the future composition of the Council of the League which had been made to Monsieur Briand by the Polish Government and of the attitude which Monsieur Briand felt disposed to take upon them. You further put to me three specific questions upon which Monsieur Briand desired to know whether the French and British Governments were in agreement. Before dealing with these matters in detail, it is perhaps well to consider the question in its broadest aspect. Monsieur Briand will agree that our first and paramount object in September must be to secure the entry of Germany into the League with the attribution to her of a permanent seat on the Council. To this all other objects must be subordinated. It would be a disaster of the first magnitude if there were any repetition of the deadlock of last March. The work of pacification in which the French and British Governments have been engaged ever since Monsieur Briand became foreign minister would be destroyed and the existence of the League itself would be endangered if international rivalries and particular pretensions again interfered with the realisation of this supreme purpose. The last thing that I should wish is to make any reproaches in respect of what happened in March; but it is a fact that the pretensions of Poland at that time gave the signal for that outburst of rivalries which brought about the final failure, and I cannot conceal from Your Excellency that I am somewhat disturbed to see the Polish Government again endeavouring to make conditions which may create trouble for us all. I think I may fairly claim to have shown a real and effective sympathy with Poland. The attitude of my government at Locarno, limited as it was by clearly defined principles of British policy, was yet most friendly to Poland, and not unhelpful to her: indeed, it may be doubted whether any country stands to gain more than Poland by the series of treaties initialled at Locarno and signed in London. In these circumstances, I feel that it is unreasonable for the Polish Government to renew, in a different form it is true but still with little disguise, the claim to a permanent seat on the Council which was the principal stumbling block last March. I repeat that, as far as we are concerned and while anxious to do whatever we properly can to satisfy Poland, our first purpose must be to secure the entry of Germany, and we cannot support any proposals which by their effect on Germany or on other powers might be found to impede the realisation of this purpose.

Subject to these preliminary observations, I will endeavour to answer the enquiries which Your Excellency put to me.

1. We are of opinion that nothing ought to prevent the election of Germany at the first possible moment. We agree that it is desirable to settle other questions relating to the composition of the Council as quickly as possible,

² Of the House of Commons.

but in seeking such an early decision we must be careful not to offend the Assembly or to give them the impression that certain members of the Council are attempting to settle this question over their heads and without allowing them time for consideration. We hope, however, that it may be possible so to arrange the business of both the Council and the Assembly that, after Germany's entry into the Council, no meeting of the Council for business shall take place until after the Assembly has decided the composition of the Council and elected the new non-permanent members.

2. Monsieur Briand enquires whether we are agreed in thinking that without bringing into question the proposal for the reorganisation of the Council drawn up by the Committee of the Council we must find means of introducing amendments which will give some further concessions to the powers concerned. His Majesty's Government are not opposed to such concessions provided that they do not raise issues which destroy or jeopardise the measure of agreement already reached and the prospect of our ultimate success.³ With regard to the particular suggestions made by M. Briand, I find it difficult to express a definite opinion until the committee meets at Geneva and the attitude of other members of the committee is known. I can only say that with the exception of the extension of the mandate from three years to five,⁴ to which we are opposed, the other proposals of M. Briand seem well worthy of consideration.

3. Monsieur Briand suggests that the French and British Governments should separately approach the Secretary-General to fix the meeting of the next Council for August 30th instead of September 2nd. I am quite prepared to concur in this proposal if Monsieur Briand thinks it desirable. I understand, however, that it is proposed that the Committee of Council should meet on the 24th August, and I am not quite certain whether we can rely upon their work being finished by the 30th. It is, we think, essential that that Committee should have presented its report before the Council deliberates, for it has to be remembered that states are represented on the Committee who have no seat on the Council, and it is to be supposed that they would resent any action by the Council which might seem to indicate an intention of preventing them from fulfilling the task which the Council committed to them. I should have been inclined to think that if the Council had four clear days for deliberation before the meeting of the Assembly, that would have been sufficient, but as I have said, I will make it my business to attend on

³ On August 16 Sir A. Chamberlain sent a note on generally similar lines to the foregoing to the Polish Minister in reply to an *aide-mémoire* of August 5 which set out Polish proposals as indicated in No. 114. In Warsaw telegram No. 103 of August 6 Sir W. Max Muller stated that M. Zaleski had referred to this communication from the Polish Minister and had requested Sir William to telegraph to Sir A. Chamberlain that he adhered to his former assurances regarding Polish policy in connexion with representation on the Council of the League of Nations (cf. No. 57).

⁴ In a letter of August 13 wherein he transmitted the French memorandum regarding the Saar (cf. No. 135, note 10) and acknowledged the present letter, M. de Fleuriau pointed out that M. Briand had not agreed to the proposed extension of the mandate, but had indicated 'l'impossibilité de faire accepter ce changement'.

whatever date Monsieur Briand thinks most advantageous for the success of our common purpose, assuming as I do that he himself will be present on whatever date he then fixes.

Yours sincerely,
AUSTEN CHAMBERLAIN

No. 138

Sir A. Chamberlain to Viscount D'Abernon (Berlin)

No. 1028 [C 8780/968/18]

FOREIGN OFFICE, *August 10, 1926*

My Lord,

With reference to your telegram No. 198¹ of the 6th August, I transmit to Your Lordship herewith a copy of a memorandum from the French Ambassador informing me of the language used by M. Briand to the German Ambassador in Paris in reply to the German Government's representations regarding the recent events at Germersheim.²

2. This incident affords only a further example of the difficulties with which His Majesty's Government are faced in their endeavours to make co-operation and goodwill the basis of relations between Germany and the ex-Allied Governments. Will the German Government never realise that progress is impossible so long as they make so little effort on their side to show a spirit of conciliation or even good faith? It is not only the French who complain of the continual petty obstruction of the German authorities in the Rhineland. Lord Kilmarnock and the British military authorities formulate the same charges, and, if one is to judge from the Germersheim incident, it does not appear that any permanent improvement has resulted from the action which Dr. Stresemann promised to take last May after the illumination of the 'Germania' monument at Rudesheim (see Mr. Addison's despatch No. 329³ of the 27th May). Again, the shipment of arms to Russia, referred to in M. de Fleuriau's memorandum, was a thoroughly ugly incident which could not fail to leave the worst possible impression upon those Governments who are endeavouring to co-operate with Germany as a friendly Power. Nor is that all. His Majesty's Government cannot but view with disquiet the fact that the agreement reached last November with the Ambassadors' Conference in respect of the outstanding questions of German disarmament still remain[s] unexecuted on the German side. The recent discovery of a large number of concrete shelters round Königsberg, which is reported by General Wauchope to be a matter of considerable importance,⁴ is only one

¹ No. 131.

² See No. 133, note 2.

³ No. 26.

⁴ See No. 97, note 2. In this connexion, Mr. Lampson stated in a minute of August 1, regarding the 53 shelters at Königsberg: 'My opinion is:—

'1. That we cannot properly make any representation to the German Government until the Commission of Control have themselves checked the present state of affairs regarding these shelters. This entails a visit of inspection which has not yet taken place. [A War Office letter of August 12 (docket only preserved in Foreign Office archives) stated

out of a number of points in which the German Government appear to have been acting in open disregard of their previous undertakings. Such acts cannot but prejudice the German case and render less likely any concessions on the part of the French when we all meet at Geneva in September and attempt to reach a general settlement on such outstanding questions as military control, troops in the Saar, and permanent resident commissions in the Rhineland.

3. Your Lordship is well aware of the views and policy of His Majesty's Government and how it has been their continual aim, more particularly since Locarno, to practise a policy of moderation and goodwill in the relations between the former enemies. But once again it is necessary to declare that without more assistance from Germany the efforts of His Majesty's Government will be vain.

4. I request that you will take an early opportunity to see Dr. Stresemann and impress upon him afresh the imperative necessity, if he desires the continuance of the Locarno policy, of realising that that policy requires giving as well as taking on the side of Germany.

I am, &c.,

(For the Secretary of State)

MILES W. LAMPSON

that such an inspection had been authorized by the Allied Military Committee of Versailles on August 7.] That visit will of course provoke a howl from the Germans but that cannot be helped.

'2. That the delay there has been over this is no bad thing. The fewer fresh demands made on Germany regarding disarmament the better. September is drawing near, & we may hope that the time is not far distant when all these questions can be treated in a broad and general spirit of accommodation. Also I may add that I am secretly not ill-disposed to these 53 concrete shelters! For they can only be designed against attack from the East & I cannot see that it is to our advantage (or to that of France for that matter) that a Russian invasion of Germany should be made easier . . . '

On August 4 Sir A. Chamberlain here made the following marginal note: 'I entirely share this view & pressed it earlier on our own people & on Briand. It is the Corridor which causes the French nervousness. A. C.'

No. 139

Sir A. Chamberlain to the Marquess of Crewe (Paris)

No. 215 Telegraphic: by bag [C 8689/436/18]

FOREIGN OFFICE, August 11, 1926, 7 p.m.

Your telegram No. 321¹ (of the 4th August: Execution of outstanding questions of German disarmament).

2. You may agree to the draft note contained in your despatch No. 1464,² subject to the omission of the last paragraph. Secure if possible omission also of the words 'dans la plénitude de ses droits' and 'sans retard' in the 4th paragraph. These words add nothing to the force of the note and may merely be read as minatory by the recipient. At the same time you should

¹ No. 127.

² See No. 127, note 4.

make it clear to the Conference, by formal minute, that your acceptance of the draft note must not be interpreted as committing His Majesty's Government one way or the other on the question of the continuance of allied control once Germany is a member of the League. This question must still be regarded as an open one.

3. I agree that the note should be communicated to the German Ambassador in Paris rather than form the subject of collective representations at Berlin.³

³ Lord Crewe reported in Paris telegram No. 331 of August 13 that he had carried out these instructions and that the Secretariat-General of the Conference of Ambassadors agreed to the Foreign Office proposals, except to the omission of 'sans retard'.

No. 140

Viscount D'Abernon (Berlin) to Sir A. Chamberlain
(Received April 12, 9 a.m.)

No. 202 Telegraphic [C 8962/71/18]

Secret

BERLIN, August 11, 1926, 8.26 p.m.

There are indications that President¹ is going to be very difficult about Geneva. While never favourable to Germany's entry he has hitherto been quiescent. It now seems probable that he will intervene more actively and may refuse to sign necessary decree. In preliminary conversations with Ministers he has indicated that certain conditions must be fulfilled before he will sign. These are:—

- (I) a considerable reduction of troops of occupation;
- (II) some agreement about duration of occupation of Rhineland;
- (III) conclusion of work of commission of control.

Dr. Stresemann is seriously troubled about the prospect. In his view these questions have, strictly speaking, no connection with Germany's entry into the League. He recognises however that public opinion holds a reduction of troops of occupation so much overdue that satisfaction on this point is indispensable.²

Ministers meet in Cabinet tomorrow and will discuss difficulties anticipated from attitude of President.

I gather that Dr. Stresemann will probably endeavour to concentrate on question of reduction of troops, believing that if he secures this he will be able to shelve questions 2 and 3. He will point out to President how inopportune their immediate discussion would be.

I will telegraph more fully on Friday³ after the Cabinet meeting.

Above is merely preliminary and should be treated as secret as I have obtained information from very confidential sources.

¹ Marshal Paul von Hindenburg.

² For Dr. Stresemann's account of his conversation with Lord D'Abernon on August 11 (cf. also No. 145, note 2, and No. 146) see Eric Sutton, *Gustav Stresemann, op. cit.*, vol. ii, pp. 435-6 and 529-31.

³ August 13, 1926.

No. 141

Viscount D'Abernon (Berlin) to Sir A. Chamberlain
(Received August 12, 9 a.m.)

No. 203 Telegraphic [C 8963/71/18]

BERLIN, August 11, 1926, 8.26 p.m.

My immediately preceding telegram.¹

Confirming my apprehension about the attitude of President, I found him yesterday quite irresponsible to expression of a pious opinion that everything would go smoothly at Geneva. He murmured something about the necessary conditions but I thought it expedient not to pursue the discussion into details.

It is also significant that Brockdorff-Rantzau, German ambassador at Moscow, has just arrived and had been received with marked cordiality in presidential circles. Brockdorff-Rantzau may be regarded as the protagonist of non-entry.

¹ No. 140.

No. 142

*Record by Mr. Lampson of a conversation with the Governor of the
Bank of England*

[W 7658/5314/4]

FOREIGN OFFICE, August 11, 1926

The Governor of the Bank telephoned to-day to ask if he could see Sir William Tyrrell. Hearing that he was away he then asked to see me.

He came this evening, and it was immediately evident that what he had to say was of the highest importance. He began by describing how he had returned this morning from his third trip abroad in the more or less recent past. The first had been a genuine holiday—the last two had not. They had been undertaken in order to further the work of general stabilisation and consolidation of European finance upon which he is so actively engaged. He had returned this morning from Holland, where he had been closeted secretly with M. Fran[c]qui¹ (Belgium), Mr. Strong (America), M. Vissering² (Holland) and Dr. Schacht (President of the Reichsbank). The subject of immediate concern was the collapse of the Belgian franc. (Here in reply to a question from me, the Governor said that the reason he was concerning himself with the Belgian franc before the French franc was that the latter at the present moment was too big a task, and he was therefore proceeding on the principle that it was better to stop each leak as he found sufficient material at hand to do so.) As the result of what had passed it had emerged that there was a possibility by which the sum of 60 million gold dollars could

¹ Vice-Governor of the Société Générale de Belgique and Minister without portfolio, with particular responsibility for financial affairs.

² Chairman of the Managing Directors of the Netherlands Bank.

be forthcoming from German sources if in return Belgium were ready to hand back to Germany the districts of Eupen and Malmédy. M. Fran[c]qui professed that Belgium was quite ready & indeed anxious to make this transfer and that, according to him, the French had already been apprised of this project, and (so I gathered, though the Governor was not clear on the point) had not dissented from the proposal.³

Now the Governor wished to emphasise that he had no desire whatever to impinge upon the political sphere. All that he was concerned about was that the general rehabilitation of Europe should proceed, and so far as the saving of the Belgian franc was concerned he could state definitely that this promised 60 million dollars from Germany was, he might almost say, an essential to achieve that object. So far as he could see sufficient money would not otherwise be available. Therefore—quite apart from any question of policy—he would welcome this German contribution. He had accordingly decided to come down here and sound me more or less informally as to whether he should encourage this idea of the proposed transfer of territory, or discourage it. But before getting an answer on that, there was a technical question on which he would like to know my view. How far was it technically possible for Belgium by a unilateral act to transfer these territories? Again, supposing that Belgium had that technical right, how would the transfer affect the provisions of the Treaty of Locarno, for instance?

I said that I was of course speaking entirely off-hand, but by article 34 of the treaty,⁴ which I quoted to him, the fate of Eupen and Malmédy was to be settled by plebiscite. How that plebiscite had been carried out I could not say because it was long before my day here, but I imagined that the provisions of the treaty had been fulfilled and that as the result of a plebiscite duly held these two areas had been incorporated in Belgium. I could not say

³ In a letter of August 3 to Sir A. Chamberlain regarding this proposal, Sir G. Grahame had stated that M. Vandervelde had informed him that Dr. Schacht had suggested that 'The Reichsbank would be ready to make a loan to the Belgian Government of 30 million dollars if negotiations about Eupen-Malmédy are accepted. If these negotiations should have a successful issue (i.e. a territorial re-adjustment), Belgium would keep the 30 million dollars, but would renounce her share of the payments (small now) under the Dawes plan. Moreover, the Rhineland Province would be prepared to pay Belgium an additional sum of 20 million dollars as compensation for Belgian expenditure in the Eupen-Malmédy region since it had been handed over to her. In this way, a total of 50 million dollars cash would be at the disposal of the Belgian Government forthwith. If, on the other hand, nothing resulted from these negotiations, the 30 million dollars would be repaid by easy monthly instalments ("mensualités").' Sir G. Grahame further stated that M. Vandervelde had informed him, as regards French reactions to the suggestion, that M. Briand had 'shrugged his shoulders, and had observed to MM. Vandervelde and Francqui that every reasonable man knew that the Treaty of Versailles was in some respects an impossible one, and alluded to its provisions about Eupen and Malmédy, the Saar and the Polish Corridor as being things which some day would have to be altered. When, later in the day, MM. Vandervelde and Francqui again met MM. Poincaré and Briand, the former spoke in a "die-hard" strain about the Treaty of Versailles, declaring that, as long as he lived, he would fight tooth and nail all attempts to alter any of its provisions.' See also *Akten zur deutschen auswärtigen Politik 1918-1945*, Series B, vol. i, part 1, *passim*.

⁴ Of Versailles.

without taking legal opinion whether by a unilateral act Belgium could undo that decision. As to the effect of such a transfer of territory on the Treaty of Locarno, I could only quote the provisions of article 1 of that instrument which laid down that the signatories of the treaty collectively and severally guaranteed 'the inviolability of the said frontiers as fixed by *or in pursuance of* the Treaty of Peace signed at Versailles'; and if my recollection did not deceive me that particular phraseology had been specially chosen in order to cover the incorporation of Malmédy and Eupen in Belgium in accordance with the provisions of article 34 of the Peace Treaty. Quite apart, therefore, from questions of high policy it seemed to me possible that any such transfer would entail a revision of the wording of article 1 of the Treaty of Locarno—which in itself was undesirable in view of all the trouble we had had to pilot that treaty so far and get it in a fair way to entry into force in September next. But of course if all the signatories of Locarno were in favour of the proposal, it would be ridiculous to suppose that a mere technicality would hold them back.

Now as to the political side. Frankly the reaction (if I might use an American expression) which the proposal produced upon me was unfavourable. I felt instinctively that France would object to any such idea. She would in the first place quote the sanctity of the Treaties of Peace; in the second place, she would probably say, perhaps selfishly, that there was no reason why she should be indulgent in order to save the Belgian franc whilst the French franc was left to its fate. And thirdly, there was always the possibility that this modification of the treaty frontiers might be *strategically* important, a matter of which of course I was no judge. But from a hasty glance at the map it seemed quite likely. The Governor had said that M. Fran[c]qui had declared that the idea had been frankly explained to the French government (M. Poincaré was quoted as having been sounded). Now I must confess to being sceptical as to how far that statement would prove to be correct, for the few indications which I had seen—and they were very secret ones—regarding this idea had been to the effect that the French were very uneasy at the rumours which had reached them respecting the possible transfer of Eupen and Malmédy back to Germany. In short, such sketchy information as I possessed regarding the French view did not tally with what M. Fran[c]qui apparently thought.

The Governor said that his 'reaction', as a matter of fact, had been precisely the same as mine. He did not for a moment believe that the French would agree. At the same time his object, he would repeat, was to expedite any arrangement that might help to save the Belgian financial situation. Provided there were no political objection to this proposed deal between Belgium and Germany he would welcome it if it helped him in his task of rehabilitation. That was his sole object, and so far as he could see it was surely rather strong that if one country of its own initiative and of its own free-will wished to transfer a piece of its own territory to another country, a third country, which really had no direct interest in the matter, should intervene and prevent the deal.

I said that, speaking personally, I quite shared that point of view, but unfortunately France was not likely to be influenced by such unselfish considerations. If the transfer of Eupen and Malmédy had carried with it some scheme for saving the French franc, the question would assume a different aspect, but then it did not; it was only the Belgian franc which was under discussion.

The Governor clearly indicated that he had expected me to say pretty well what I had said. What action, then, was he to take? I said that perhaps it would be helpful if I knew exactly what question he wanted me to answer. Was his question this: 'Do you wish me to let matters continue on the basis of this transfer of territory, or do you wish me, for political reasons, to turn it down?' He said 'Yes, that was exactly what he wanted.' I replied that, in that case, I clearly must make a report of what had passed between us and submit it to the Secretary of State, who was at the moment in the country. Before I received his directions I could not properly give the Governor the answer he asked for. I had told him how the idea struck me: it was that the suggestion was not one of practical politics, but of course my point of view might be based on a complete misapprehension of the French attitude. If the French really agreed to the proposal I could hardly imagine that we should object, for so far as Great Britain was concerned I did not think that we cared much one way or the other who owned Eupen and Malmédy. The Governor said 'Quite so; provided France receives the proposal "*con amore*", then all is well, but in the contrary event the matter should be dropped'.

I undertook to report the conversation to the Secretary of State as soon as possible and on the receipt of his instructions to let the Governor know, when we could have another conversation and I could tell him what the Secretary of State thought he should do.

Before leaving the Governor again emphasised that he had no desire whatever to intrude on the sphere of higher policy. He felt sure we should not misunderstand his motives in bringing this problem to us, for what he wished to ensure was that he did not act on any line which would run counter to the wishes of His Majesty's Government. I assured him that he need have no fear that his action in coming to us would be in any way misunderstood, and I gave him an undertaking that we would of course take the greatest care that secrecy was maintained regarding everything which he had told me.⁵

M. W. LAMPSON

⁵ Sir A. Chamberlain stated in a minute of August 12 on this record: 'The manner & the matter of this proposal seem to me to combine every disadvantage, for, first, Belgium proposes to do that which when negotiating the Dutch treaty she expressly said she would not do i.e. alienate territory.'

'And here I desire to call special attention to that treaty and the Anglo-French document of concurrence [cf. Volume I, No. 499, Annex I] which is not mentioned in the above minutes. Sir Cecil Hurst advised (unless I am greatly mistaken) that the phraseology which we ultimately accepted bound Belgium not to alienate just as his original wording did.'

'Secondly, how can this money be paid by Germans or Germany without trenching seriously on the Reparations funds i.e. on the possibility of transfer?

'Thirdly, The Locarno treaty would have to be re-negotiated—& it couldn't be done.'

'Fourthly, what chance is there of political stabilisation if we begin *now* re-arranging frontiers.'

'Fifth & lastly, M. Vandervelde told me that Belgium would not do it without the assent of the Allies. I don't know what Italy would say. France, we know, objects.

'I advise the Governor to have nothing to do with it. In present circumstances it would not make for stabilisation—or peace.

'A. C. 12. 8.'

Mr. Lampson informed Mr. Montagu Norman of Sir A. Chamberlain's views on August 13.

No. 143

Record by Mr. Lampson of a conversation with the Governor of the Bank of England

[C 9013/234/18]

FOREIGN OFFICE, August 12, 1926

It is just worth recording that at the end of last night's conversation with the Governor of the Bank of England regarding the proposed transfer by Belgium to Germany of Eupen and Malmédy,¹ he said that this idea had started another train of thought in his head.

As we no doubt knew here, Poland was on the brink of a financial collapse. As we no doubt also knew, a scheme had been on foot at the beginning of this year that Poland should be induced to apply to the League for help, but of course all that had been knocked on the head by the Polish application for a permanent seat on the Council and by what happened at the Council meeting in March. In short, the clock had been set back and the Polish financial problem remained as far from settlement as ever. Now sooner or later it would have to be tackled in the general interests of Europe. That being so the Belgian idea of handing back Eupen and Malmédy to Germany had struck him as just possibly setting a very interesting precedent which might conceivably be applied elsewhere. We all knew there was a Corridor in Eastern Europe around which centred much bitter political controversy; would not the solution of that problem perhaps ultimately lie along the lines of something analogous to what Belgium was now proposing in the west?

I said that personally I should think it the gravest mistake to start any discussion regarding the Corridor yet awhile. Our line here had consistently been to tell both sides to keep quiet and to let time do its work. Poland took 40% of Germany's exports and it seemed not unreasonable to suppose that with the lapse of years these two neighbouring countries would become more and more conscious that they were dependent economically one upon the other. This might, one ventured to hope, lead gradually to a spirit of accommodation on both sides. Should we ever reach that ideal stage, then it seemed to us that many things might be possible: perhaps not actually territorial readjustments but something which might obviate the many drawbacks and inconveniences of the existing territorial status. So far as our information went the negotiations at present in progress between Germany and Poland for a commercial treaty were not proceeding too badly. It was true there had

¹ See No. 142.

been a hitch in the last few days but one hoped that it would not be serious. There thus seemed a prospect that relations were already improving slightly, and that being so, my own feeling was that if left alone for a sufficient length of time many developments tending to more normal and neighbourly relations between Germany and Poland might follow. Of course if Poland came forward of her own free-will and suggested some territorial readjustment with Germany it was unlikely that anybody would object: quite the contrary, but I felt instinctively that for anybody outside Poland, and more particularly for a German, to suggest anything of the kind just now would be most unwise.

The Governor made it clear that he had not been suggesting anything of the sort: he had merely been ruminating on the good precedent which the transfer of Eupen and Malmédy to Germany (if it materialised) might set in Europe; in short he was simply speculating in his own mind—nothing more.

I don't think there is any need to revert to this subject with the Governor. It was merely a casual observation on his part; as it were, an aside after the main subject on which he had come down (Eupen and Malmédy) had been disposed of.

M. W. LAMPSON

No. 144

Letter from Mr. Roberts (Geneva) to Mr. Cadogan

[W 7802/78/98]

Confidential

GENEVA, August 12, 1926

My dear Cadogan,

When we last met you suggested that, on my return here, I should send in weekly reports on the progress of the Disarmament Sub-Committee. I sent off a despatch last week,¹ and I propose to continue sending one by each Saturday bag. It is rather difficult, however, to explain in an official despatch one's views on the success or failure of the Sub-Committee to grapple with its problem, and I am therefore going to put down a few random thoughts in the form of a private letter.

There is no doubt, I think, that, with one or two exceptions, the rate of progress of the work ever since the beginning has been deplorably slow. But this should be qualified by saying that things have moved less slowly since the adjournment. For instance, the Naval Committee and the Air Committee have wasted no time over Question VI of the Questionnaire (military value of commercial fleets and distinction between military and civil aviation), and Question IV was disposed of in a week. I am now quite convinced that there is no deliberate intention to obstruct on the part of any Delegation. Indeed, where strictly technical points are under discussion, as in Question VI, they get along well; and, I'm afraid, the confusion of the political and technical aspects is not mainly the fault of the Sub-Committee, but of the Council,

See No. 134.

which drew up the Questionnaire. Nevertheless, the way in which the Sub-Committee sets to work and the kind of results it has so far produced on paper lead me to fear that its labours will not be as helpful to the Preparatory Commission as that body has a right to expect.

The reasons for this are, I think, the following:

(1) It is to be regretted that there has been a change in the Chairman. We are all agreed, and I think most other Delegations would secretly admit, that Cobian is a bad chairman. No doubt his return at this moment is due to political reasons quite unconnected with the subject of disarmament and may be unavoidable. A set of rules of procedure has just been put into force which strengthens the Chairman's hand to a certain extent, but, like most League Chairmen, Cobian is afraid of offending anybody.

(2) The Sub-Committee is far too large a body to be able to conduct its work efficiently; there are nineteen countries represented. When the Sub-Committee in its first session split up into three, things went a little better, but even so the Naval, Military and Air Committees were too large.

(3) I suspect that a certain number of Delegations are so firmly tied down by their instructions as to give them no liberty of movement at all. Time after time when a vote has been taken on a pure question of procedure, e.g. last week, whether the question of supervision as well as Question VI should be taken before that of methods of limitation, no less than nine Delegations abstained. This kind of thing reduces matters to a farce. I am certain that the representatives of the Little Entente have strict instructions to follow blindly the lead of France, and where no lead is given they take refuge in abstaining. I do not see how any reports which are adopted by a bare majority or even a minority, owing to a large number of abstentions, can be of any real value to the Preparatory Commission.

(4) There is a complete lack of method in the way in which the Sub-Committee sets to work, and Madariaga² is almost in despair at the amount of time that is thus wasted. Two examples will show this: Last week the Committee agreed to take Question IV (offensive and defensive armaments). Two papers were circulated by the French and ourselves respectively. The Sub-Committee were asked to adopt one or other paper as a basis of discussion and to discuss that paper paragraph by paragraph. It was never clear either on that occasion or with other questions whether a paper under discussion was to be taken as representing the view only of the Delegation which wrote it, or as the view in embryo of the Sub-Committee. At the end of two days, no agreement was reached as to which paper should be adopted. Some delegations thought that, by agreeing to one or other part of a paper which represented their own views less closely than the other paper, they ran the risk of not getting their own view represented at all. As soon as the French and ourselves met in private, with a chairman, they found they could agree, not without difficulty, it is true, but within twenty-four hours on the text of a reply which they could recommend to the Preparatory Commission, and this text was afterwards adopted, with slight alterations, by the Sub-Committee.

² Señor S. de Madariaga was chief of the Disarmament Section of the League of Nations.

This week the Sub-Committee has tackled the question of supervision. Its terms of reference under this head are contained in what is known as the Belgian proposal,³ which you will find towards the end of the report of the Preparatory Commission to the Council. Two papers were submitted, one by the French, the other by the Italians. The Italian paper incidentally was circulated only an hour before the Sub-Committee had to discuss it. Although it was not their job to go beyond the technical aspects of the questions put to them, some members of the Sub-Committee launched into a general political discussion on the question of control. The chief offenders in this respect were the Americans and the Italians. This has led to a hopeless confusion of ideas. Finally, after several days' debate, the French and Italians were asked to get together in a small committee, with a Czech General as their chairman, and see if they could reach an agreed text for the first part of the Question. This they succeeded in doing yesterday, but in spite of this the whole of to-day, in the full Committee, has been wasted in argument as to whether part of this agreed text should or should not be excluded as being altogether outside the terms of reference. No decision has so far been reached on this point. The Secretariat must bear their share of blame for all this confusion, Madariaga, though brilliant, being a bad organiser.

I cannot help thinking that we ought to try and find a way out of this state of affairs. For myself, I think the best way out would be something of this kind: first, an order of work should be arranged beforehand and well in advance; secondly, on each Question the Delegations of the principal Powers should consult *privately* and together draw up a paper which should be carefully drafted so as to include the various parts of the Question in their proper order and be an attempt to include as many points of view as possible. Perhaps it would be enough if only the French and ourselves consulted in this way beforehand. This paper should then be circulated by one of the Delegations as its own paper—it wouldn't matter which one—and adopted as the basis of discussion. In this way it would be possible to ensure that one thing at a time should be discussed and everything in its proper order. Group Captain MacNeece believes, and I agree with him, that the smaller Powers thoroughly approve intimate consultation in advance between the French and ourselves on disarmament. The French have always been more reasonable when sitting round a small table, and the smaller Powers welcome a clear lead.

I think this would be preferable to forming a kind of formal 'bureau' for editing any papers submitted by individual Delegations. In order, however, to make this method possible, it is absolutely essential that some of the Delegations should be given a little more latitude by their Governments. They should be made to see that it would assist the Preparatory Commission more if they receive reports from the Sub-Committee representing the lowest common multiple of agreement than reports representing the views of a single or a few Governments. It is unlikely that the Sub-Committee's reports will be ready by September 1st, when it may have to adjourn if the Secretariat

³ See *Documents of the Preparatory Commission for the Disarmament Conference*, Series II, p. 125.

cannot supply the required staff during the Assembly. I venture to urge most strongly that Lord Cecil on his arrival here should take the matter up with the Governments chiefly concerned.

I have shown this letter to Colonel Temperley, Group Captain MacNeece, and Commander Hawes,⁴ who agree on the whole with it.⁵

Yours ever

W. ROBERTS

⁴ A naval representative on the British Delegation at Geneva.

⁵ Lord Cecil minuted as follows on this letter: 'My impression has always been that we ought to arrive at some arrangement whereby the French should take the lead on land & perhaps air questions & we should do so on Naval questions. The trouble is with the Italians & Japanese. R. C. 18. 8. 26'

No. 145

Sir A. Chamberlain to Viscount D'Abernon (Berlin)

No. 93 Telegraphic [C 8964/71/18]

FOREIGN OFFICE, *August 13, 1926, 3 p.m.*

Your telegrams Nos. 202, 203¹ and 204² (of the 11th August. Entry of Germany into the League).

I send you summary of communication made by Herr Dufour to Gregory on the 11th.³

These communications from you and him cause me serious concern. I must solemnly warn Dr. Stresemann that any attempt to bargain the entry of Germany or to set up fresh conditions now will in all human probability bring the whole Locarno policy to naught and carry us back to the position and policy which existed before his great and fruitful initiative.

I must add that in my opinion the prime cause of the March fiasco was the way in which even before we got to Geneva the German Government publicly proclaimed an attitude so uncompromising as to have the air of an ultimatum. I warned them at the time⁴ that this could only provoke resistance by other Powers and events unfortunately proved me right. I earnestly beg them not to commit the same error again. It would be irreparable this time.

They know that it is our first and paramount object to get Germany her permanent seat and secure her entry. They know that for this reason and this reason only we have abandoned our support of the Spanish claim, but it is as much their interest as ours to keep Spain in the League, and they ought to help us to find a means of doing so if it be possible.

Dufour is apparently ill-informed as to committee. They had not completed their examination or report. They gave only provisional first-reading

¹ Nos. 140 and 141 respectively.

² Not printed. This telegram reported that Dr. Stresemann was depressed regarding the internal and foreign position of Germany and feared that new conditions were about to be introduced into the report of the Committee on the Composition of the Council.

³ See No. 149.

⁴ Cf. Volume I, Nos. 275, 282, 287 and 293.

assent to conclusions already reported and had not dealt with permanent seats at all.⁵ They proposed to meet again in July for this purpose and must meet before the Council. If they can by some minor concession retain Spain surely it is worth while though I must add that I now think it very unlikely. We have made no bargain with Spain or anyone, but we are ready to consider the possibility of such minor adjustments in the committee where Germany is represented as well as other non-Council Powers. I repeat that our first and paramount object is to secure Germany's entry and her permanent seat, but just because we make that our first object we have a right to call on Germany to make it as easy as possible. If you and Dufour have been rightly informed they seem bent on making it difficult and perhaps impossible. If we again fail it will be their doing.

⁵ Cf. No. 114, note 1.

No. 146

Viscount D'Abernon (Berlin) to Sir A. Chamberlain
(Received August 13, 9.30 p.m.)
No. 205 Telegraphic [C 9019/234/18]

BERLIN, August 13, 1926, 5.45 p.m.

Cabinet sat yesterday all day but was mainly concerned with out of work problem and with the menace of communistic propaganda. Strong preventive measures against communism were declared necessary.

The situation regarding Geneva remains as described in my telegrams Nos. 202, 203¹ and 204.²

Regarding Gernersheim, I spoke earnestly to Minister for Foreign Affairs on basis of your despatch No. 1028.³ I found him in complete agreement with the above-mentioned main objectives and methods, but he says that the negotiations at Coblenz had been rendered difficult by repeated and prolonged absence of Tirard. The Minister for Foreign Affairs is taking steps to curb or stop the perpetual festive celebrations in which the Rhinelanders rejoice, and which must inevitably cause resentment amongst the foreign garrisons.

He regards the reduction of the garrison promised by M. Briand, i.e. 6,000, as inadequate; but even more important than a further reduction is the necessity that the reduction should be palpable and apparent. If a few men ship⁴ away every day and no buildings are vacated, the effect on the public is nil and no one believes that real reduction has occurred.

I find German government quite disposed to meet M. Briand on his three grievances (see my telegram No. 199)⁵ provided their claims about reduction of troops are met. My view is that some bargain of this kind is the most practical method of getting things forward.

¹ Nos. 140 and 141 respectively.

² See No. 145, note 2.

³ No. 138.

⁴ In another text of this telegram this word read 'slip'.

⁵ No. 132.

Viscount D'Abernon (Berlin) to Sir A. Chamberlain (Received August 16)
No. 553 [C 9077/234/18]

BERLIN, August 13, 1926

Sir,

I have read with interest Lord Kilmarnock's despatch No. 137¹ of July 28th, in which he mentions that the French Chargé d'Affaires at Munich reports that even in Bavaria the spirit of conciliation shows sign of spreading amongst the population but that this development was largely hindered by the attitude of the official and governing classes who were largely under the influence of an extreme Nationalist clique. Monsieur Tirard held that this statement coincided very largely with the state of affairs in parts of the Rhineland and particularly in the Palatinate.

2. It is of interest to record that in this part of Germany and probably in the greater part of unoccupied Germany, the spirit of conciliation towards France has made very remarkable progress. I have had frequent occasion lately to discuss the matter with members of the French Embassy and find them unanimous in astonishment at the rapidity of the progress achieved during the last year. The French Ambassador told me that large sections of the intelligentsia who had previously refused to come to the French Embassy now expressed their desire to do so. Junior members of the French Embassy staff have spoken in the same sense, saying that they find relations with the Germans much easier than before.

3. From personal observation, however, I am inclined to take these statements with a grain of salt. As regards the intelligentsia I am tempted to suspect that in the world of art and letters the French spell has fallen more on those Germans whose tastes and activities in such matters are exotic and ultra modern, than on those who have behind them an international reputation for solid achievement. In the social sphere also there are certainly still many houses to which members of this Embassy have access which is denied to their French colleagues.

4. As regards the attitude of the official and governing classes, I do not find that in Berlin they display any hostility to the progress of the pacific spirit. On the contrary they appear to be animated by a spirit of conciliation, this certainly applies to the Wilhelmstrasse.² Among sections of the Right there is of course less progress, but here again there is some change, in that the official leaders of the party are evidently disposed to accept the Locarno basis. To any one who observes the state of the atmosphere at Berlin it comes as a surprise to learn that among officials in the Rhineland so recalcitrant a spirit is still manifest. It would seem that a clear distinction must be drawn between occupied and unoccupied Germany.

5. In the above connection it is of interest to note that the conclusion of

¹ No. 109.

² i.e. the German Ministry of Foreign Affairs.

a provisional commercial agreement between Germany and France³ has been received with evident satisfaction by all parties here.

I have, &c.,
D'ABERNON

³ This agreement was signed on August 5, and came into force on August 21, 1926. For the text see *British and Foreign State Papers*, vol. 127, pp. 349-413.

No. 148

Mr. Roberts (Geneva) to Sir A. Chamberlain (Received August 17)
No. 22 L.N.C.C. [W 7580/78/98]

GENEVA, August 13, 1926

Sir,

After the question of offensive or defensive armaments had been disposed of as reported in my despatch No. 16 L.N.C.C.¹ (D.1) of August 6th, it was expected that Sub-Committee 'A' would now approach the most important part of its programme and examine alternative methods of limitation or reduction, on which the French Delegation had circulated a paper. General de Marinis (Italy), however, objected that, as the French paper contained several references to supervision, it would be better, in order to avoid confusion, first to get this subject out of the way, and this suggestion was adopted.²

2. The terms of reference from the Preparatory Commission on this question are as follows:

'With a view to organising this exchange of information, Sub-Commission A has been requested to consider the advantages and disadvantages from the military point of view of the various methods which might be employed and in particular:

'(a) The organisation at Geneva of a permanent service for the collection of information received from the different Governments;

¹ No. 134.

² In his covering despatch No. 18 L.N.C.C. (not preserved in Foreign Office archives), Mr. Roberts had transmitted a memorandum of August 7 by the British Delegation which recorded this decision and, with reference to the meeting of July 13 (see No. 63, note 2), requested instructions. This memorandum stated in particular:

'French agreed with us that it was desirable if possible to avoid that portion of the question which deals with lessons to be learnt from German disarmament. It is however doubtful whether we can avoid discussion. . . . The British Delegation will emphasise in every way possible our present categorical instructions to oppose any form of supervision.'

In this connexion Foreign Office telegram No. 69 to Geneva of August 12 transmitted a message from General Charles, Director of Military Operations and Intelligence since July 3, 1926, to Colonel Temperley which stated in particular:

'Experience gained by operations of Commissions of Control do[es] not appear to be applicable to the general case under consideration by Sub-Commission A. Although armed with extraordinary powers such as could never be granted under the League, the Commissions of Control have now been working for over three [*sic*] years and have not yet completed their labours. This of itself constitutes an argument against admitting any discussion of methods employed as being of general applicability and you must avoid being drawn into such discussion.'

‘(b) The conclusion of an international convention making it compulsory to publish all inventions which can be used in chemical or bacteriological warfare and in general all forms of warfare which are condemned by the opinion of the civilised world.

‘Sub-Commission A is requested to investigate what would be the consequences from the military point of view of inserting in the Convention relative to disarmament, or in that regarding the prohibition of certain forms of warfare, of provisions similar to those contained in the Statute of the International Labour Office (Articles 411 to 420 of the Treaty of Versailles). [. . .]

‘Sub-Commission A is requested to consider to what extent the experience acquired regarding the supervision of disarmament points to the possibility from the military point of view of general supervision’.³

3. When the Sub-Committee met on Monday last⁴ two papers had been prepared respectively by the French and Italian Delegations, and, as usual, the Sub-Committee was at once invited, by its Chairman, to express a preference for one or other as a ‘basis of discussion’. The outstanding feature of the Italian paper was an affirmation that the collection of information and its publication as arranged at present in an annual year-book, with perhaps, periodical supplements, was the only practicable or desirable method of control: it *ipso facto* ruled out commissions of enquiry under some system analogous to that contained in the Statute of the International Labour Office. The French paper covered both possibilities and, as far as the first was concerned, contemplated not only the collection of information, but the study, by a permanent international body of military and other (budgetary) experts, of the development over a considerable period of each country’s armaments. On this study would be based reports as to how the signatories of a disarmament convention were fulfilling their obligations.

4. Early in the discussion, Admiral Jones (United States of America) made a formal declaration to the effect that good faith was the only guarantee of respect for international obligations and that his Delegation could not contemplate any kind of supervision that might interfere with the liberty of action of the United States Government.

5. Colonel Temperley expressed the fear that the French proposal contained the germ of the idea of an international general staff and proposed that the Italian paper, which closely corresponded to the British point of view, should be taken as the basis of discussion. He was supported by the Japanese.

6. General de Marinis (Italy), in a lengthy declaration, referred to the great difficulties, both political and technical, of general supervision and quoted largely from the proceedings of the Permanent Advisory Commission in 1921 to show that general supervision was then condemned on technical grounds as impracticable and that French representatives had concurred in that decision.

³ See Cmd. 2681 of 1926, p. 5.

⁴ August 9, 1926.

7. After a confused debate it was decided to ask the French and Italians to try and agree upon the text of a reply to the Preparatory Commission, and they were successful in producing a compromise. This compromise merely set out both methods with their advantages and disadvantages. The Sub-Committee accepted that part of the report dealing with the first (Italian) method, but when the second came to be discussed several Delegations insisted on the suppression of all reference to it. A British proposal to let the second method stand, but with the addition of a reservation by certain Delegations to the effect that it was technically unsound and contemplated something outside the Sub-Committee's terms of reference, was rejected by the French. Thus, the compromise broke down. The French then succeeded in getting their own thesis adopted by a majority of one vote, the British, supported by the Americans, Italians and Japanese, announcing that they would submit a separate report. This report is now being drawn up.

8. It is, I think, unfortunate that no attempt was made to limit the discussion to the specific technical points on which the Preparatory Commission asked for guidance. The result has been a general debate on the very contentious question of control. Some of the Delegations most strongly opposed to control, such as that of the United States of America, threw up their hands in horror at the mere reference by name in a proposed report to the detested idea. This attitude rendered agreement impossible. It is not easy to understand why the French have pressed so hard for their proposal in opposition to four Great Powers, unless they believe that in it lies the best chance of keeping Germany disarmed even at the cost of accepting some form of international control themselves. It is remarkable that so far the Germans have taken no part in the debate, but they will probably break silence when the Sub-Committee approaches the question of past experience of control.

9. Meanwhile, the Naval Committee have been examining Question VI. It is agreed on all sides that merchant fleets have a potential military value. The only point on which the Committee differ is as to whether that value can be accurately assessed. Commander Hawes has put forward the view that any attempt to assess it on a practical and equitable basis is well-nigh impossible, but regulations governing preparatory measures permissible for the conversion of merchant ships into auxiliary cruisers should be included in any disarmament convention. On the other hand, the French are claiming that it is possible to find a co-efficient. It is hoped that agreement on this point will be reached before long.

10. I had the honour to report last week on the progress made by the Air Committee in discussing the differentiation of civil and military aeroplanes. The paper circulated by the Germans on this point did not convince the Committee. In it they maintained that the absence of armament alone was a sufficient ground of distinction and that civil air fleets were of no military value to countries which did not possess a military air force. After further discussion, a resolution in the following terms has been adopted unanimously, the German and Netherlands Delegations abstaining:

'That there is no possibility, at any rate for the present, of laying down precise rules which would justify differentiation of civil and military aeroplanes'.

I have, &c.,
WALTER ROBERTS

No. 149

Sir A. Chamberlain to Viscount D'Abernon (Berlin)

No. 95 Telegraphic [W 7575/223/98]

FOREIGN OFFICE, *August 14, 1926, 2.50 p.m.*

My telegram No. 93.¹

Following is summary of conversation between Mr. Gregory and Herr Dufour:—²

Herr Dufour stated that German government had learnt from their representative in Paris that French government had informed the Spanish government that they would try to secure for Spain a non-permanent seat for a fixed term of years by extending the three year period to five and by promising re-election of Spain at the end of the five years. In course of time non-permanent seat would be transformed into permanent one. Polish government had presented memorandum to French government containing proposals on identic lines and demanding to enter Council at the same time as Germany.³ This situation has seriously alarmed German government who could not in any circumstances agree to alteration in report of composition of Council commission since this would be tantamount to 'upsetting whole structure of the decisions' reached by commission. German government considered that 'grave position' would be created if French proposals were maintained and German delegates on commission would receive categorical instructions to vote against them. Herr Dufour was convinced that unless German government were assured that there would be no tampering with report of commission and that nothing would be done to prevent Germany from entering Council alone, German delegation would not go to Geneva.

Mr. Gregory assured Herr Dufour that His Majesty's Government would not allow introduction of new elements at the eleventh hour to deflect them from their main object, which was to secure Germany's entry into the League. Other questions were subsidiary and if they were to be considered it would be in Geneva and not beforehand. Meanwhile conversations which might be taking place must not be taken to imply any definite step towards upsetting programme, and Mr. Gregory trusted German government on their side

¹ No. 145.

² According to the full record of this conversation the information in the following three sentences had been communicated to Herr von Hoesch by M. Berthelot on August 7.

³ For the Polish proposals see No. 114 and No. 137, note 3. Herr Dufour-Feronce had referred to the Polish proposals in a conversation on August 9 with Mr. Gregory who recorded him as stating that 'his Government would themselves want to treat Poland sympathetically. What they were really set on was that Germany should enter the Council alone.'

would realise how important it was to preserve harmony at this juncture and would do nothing, particularly by publicity, that might disturb it.⁴

⁴ On August 13 Mr. Gregory held a further conversation with Herr Dufour-Feronce, to whom he spoke on the lines of the views expressed by Sir A. Chamberlain in No. 145. A report of this conversation was sent to Berlin in Foreign Office despatch No. 1073 of August 19.

No. 150

Viscount D'Abernon (Berlin) to Sir A. Chamberlain
(Received August 16, 9 a.m.)

No. 207 Telegraphic [W 7574/223/98]

BERLIN, August 15, 1926, 6.50 p.m.

On receipt of your telegrams Nos. 93 and 95¹ I had an interview with Minister for Foreign Affairs.

His Excellency desires to underline the fact that Germany's attitude has not altered since March. She neither makes any new claim nor modifies anything in her previous position except to say that she is ready to accept draft scheme of Geneva committee.

Situation here appears to be as follows:—

Attitude of Ministry towards entry into Geneva has not weakened but a certain opposition has grown up outside—as reported in my telegram No. 202²—but this has not affected the views of the Cabinet. In their discussions during the last few days there has been complete unanimity in favour of Dr. Stresemann's policy, which means a vigorous prosecution of Locarno.

Further, there is no unreasoning prejudice against Spain's or Poland's claims to a non-permanent representation of a special kind—provided German position is first of all recognised and her entry finally settled, and provided that lines of the Cecil committee proposals³ are adhered to.

Minister for Foreign Affairs earnestly deprecates any material departure from committee's proposals as he (? has) obtained assent of all parties to it and will find it difficult to argue the case on other lines. In any case whatever slight modifications may be suggested, he urges that he should be consulted early and kept fully informed.

¹ Nos. 145 and 149 respectively.

² No. 140.

³ See No. 114, note 1.

No. 151

Viscount D'Abernon (Berlin) to Sir A. Chamberlain
(Received August 16, 9 a.m.)

No. 208 Telegraphic [C 9107/481/18]

BERLIN, August 15, 1926, 6.55 p.m.

At close of conversation this morning Minister for Foreign Affairs again reverted to question of reduction of troops. He said 'M. Briand has promised

a reduction of 6,000 to be carried out during September. This is too late. It is essential to have a palpable reduction before Geneva and population must realize that it has occurred. My policy of conciliation has succeeded wonderfully in all parts of Germany except occupied area. I must be in a position to win the assent of this section also.'

At the same time His Excellency informed me that negotiations with France regarding amnesty¹ were going well and would he hoped lead to a satisfactory . . . ² the riddle.

Regarding Germersheim, he said that he had given such instructions to Baron Langwerth as would afford a decent burial to the incident or would at any rate put it into cold storage until after Geneva.

¹ See No. 158.

² The text is here uncertain. On another text of this telegram it was suggested that the words 'solution of' had been omitted.

No. 152

*The Marquess of Crewe (Paris) to Sir A. Chamberlain
(Received August 16, 8.30 a.m.)*

No. 332 Telegraphic: by bag [C 9046/24/18]

Urgent

PARIS, August 15, 1926

Your telegram No. 214¹ of August 9th and my despatch No. 1544.² German aviation agreement.

2. Versailles Committee have informed Ambassadors' Conference that German government have fulfilled all conditions in regard to promulgation of ordinances. They propose therefore that Air Committee of Guarantee should be withdrawn on September 1st and that a copy of the air agreement of May 22nd 1926 should be communicated to the League of Nations simultaneously with the notification of such withdrawal.³

3. May I be authorised to agree?⁴

¹ Not printed. This telegram authorized Lord Crewe to agree to the text of the German ordinance regarding flying by members of the Reichswehr (see No. 89, note 1), and to procedure in connexion with the note of August 2 from the Secretariat of the Conference of Ambassadors to the German Ambassador in Paris (see *League of Nations Treaty Series*, vol. lviii, pp. 373-4).

² This covering despatch of August 14 (not preserved in Foreign Office archives) transmitted the text of the note of August 2 from the Conference of Ambassadors (see note 1 above).

³ See *League of Nations Official Journal*, December 1926, pp. 1629 f., for M. Briand's communication of August 31, 1926, to the Secretary-General of the League of Nations.

⁴ This authorization was given to Lord Crewe in Foreign Office telegram No. 218 to Paris of August 17.

Sir A. Chamberlain to the Marquess of Crewe (Paris)

No. 2335 [C 8060/778/18]

Secret

FOREIGN OFFICE, *August 16, 1926*

My Lord Marquess,

I transmit to your Excellency herewith, for your secret information, a copy of a despatch¹ from His Majesty's Chargé d'Affaires at Berlin enclosing a stenographic record of the proceedings at a meeting of the Foreign Affairs Committee of the Reichstag on the 26th June last, when Dr. Stresemann made a statement on the whole question of Germany's relations with the ex-Allied Powers and her future policy in that respect. I need not emphasise the secrecy of this document, nor its value, for it indicates the whole plan of campaign which the German Government have in mind both in respect of the Rhineland occupation and of the continued payment of the Dawes annuities.

2. The question of immediate interest is the intention which the German Government appear to have of bringing up for diplomatic discussion, as soon as Germany is a member of the Council, the whole question of the withdrawal of the troops from the zones still occupied, basing their claim in this respect upon article 43¹ of the treaty² and to a lesser extent upon the declaration signed by President Wilson, M. Clemenceau and Mr. Lloyd George on the 16th June, 1919.

3. Such a contention on the part of the German Government will clearly raise important legal as well as political issues, and I have accordingly thought it well to cause a full examination to be made of the legal issues involved. I am advised as follows:—

4. There are two relevant documents to be considered: (1) Article 43¹ of the Treaty of Versailles, and (2) the Wilson-Clemenceau-Lloyd George declaration of the 16th June, 1919. In view of their essentially different character it is better to consider these documents separately. Further, inasmuch as the question of the execution of the military clauses of the treaty will presumably be out of the way before Germany makes any move with a view to getting the occupation terminated, and as it may be assumed that the question of war criminals will remain a dead letter, the fulfilment of Germany's reparation obligations will remain as the only matter which has to be taken into account. It may, moreover, be assumed that the coming into force of the Locarno treaties and the entry of Germany into the League will be regarded as sufficient guarantees against unprovoked aggression by Germany, so that no question could arise under the last paragraph of article 42⁹.

5. Article 43¹ is, of course, a provision on which Germany is entitled to rely, and as to the interpretation of which she is entitled to be heard. Two

¹ No. 93.

² Of Versailles.

interpretations of this article are possible: (1) That in order to claim the withdrawal of the occupying forces Germany must show that she has completely and finally discharged her reparation obligations under the treaty, as modified by the London Agreement;³ and (2) that it would only be necessary for her to show that she had complied with such of her reparation obligations as had matured up to date, i.e., that she had fully and punctually made all the Dawes payments up to the moment in question, and possibly that there was every reason to suppose that she would similarly make future payments as they became due. Dr. Stresemann is obviously going to rely upon the second interpretation, but I am advised that if one looks at the treaty alone, it is not correct.

6. It is, in the first place, not a natural interpretation to put upon the wording of the article: 'If . . .⁴ Germany *complies with all* the undertakings resulting from the present treaty' (in the French text: 'Si . . .⁴ l'Allemagne *satisfait à tous* les engagements résultant pour elle du présent traité'). The natural interpretation to put upon that phrase is that it contemplates the complete execution by Germany of all her obligations under the treaty, so that there would be no longer any need for the presence of the occupying forces, which, under article 428, are only there 'as a guarantee for the execution of the present treaty.' The phrase in question should be compared with the corresponding one in article 429, which admittedly refers only to the execution of Germany's obligations so far as they had matured at the end of each five-year period: 'If the conditions of the present treaty are faithfully carried out by Germany'—('Si les engagements du présent traité sont fidèlement observés par l'Allemagne'). The difference between the two is obvious.

7. In the second place, Dr. Stresemann's interpretation proves far too much. If it were correct it would mean that at any moment, if Germany had executed those provisions of the treaty which up to date had fallen due, she would be entitled to demand the withdrawal of the troops. If, therefore, the treaty had been executed in the manner intended by its framers, so that the military clauses had been complied with within a comparatively short period, and the total of the German reparation indebtedness had been fixed by the Reparation Commission and its discharge provided for by the method of thirty annual payments, Germany would have been entitled to claim the withdrawal of the troops of occupation as soon as she had made payment of the first annual instalment, seeing that she would have complied with all her obligations which had matured up to date. Such an interpretation is obviously absurd and inconsistent with other provisions of the treaty, especially with article 429. For, assuming that at the end of five years Germany had paid all the sums which at that date had accrued and were due for reparation, she would be entitled under article 429 to the withdrawal of the troops from the first zone, but she would also be entitled under article 431, as interpreted by Dr. Stresemann, to the withdrawal of the troops from the

³ i.e. the London Agreement of August 30, 1924: cf. No. 93, note 4.

⁴ Punctuation as in original quotation.

whole of the occupied territory, and there would thus be two different and inconsistent provisions applicable to the same state of affairs.

8. Further, the suggested interpretation would seem to be inconsistent with article 430. For even supposing that Germany was entitled under article 431 to a withdrawal of the troops on the ground that she had paid all the instalments due up to date, she would, in the event of subsequent default, be liable to have the territory reoccupied under article 430, with the result that the troops would have been withdrawn on the ground that she had 'complied with all the undertakings resulting from the present treaty' (article 431), and would be brought back again on the ground that she 'refused to observe the whole or part of her obligations under the present treaty with regard to reparation' (article 430), which is really absurd.

9. It may be added that this argument is not affected by the subsequent adoption of the Dawes scheme. Both under the treaty and under the Dawes scheme the payment by Germany of amounts on account of reparation was to extend beyond the period fixed for the occupation, and that is the material point.

10. The conclusion therefore is that article 431 means what it says, and that in order to rely on it Germany must show that she has paid off the whole of her reparation debt. This is not to make the article meaningless. We know nothing about the history of the article, but there can be little doubt that what its authors had in mind was the possibility of Germany discharging her obligations by the payment of a lump sum during the fifteen years. In view of the precedent of what happened after the Franco-Prussian War, this consideration must certainly have been present to their minds, and we know in fact from the reply of the Allies of the 16th June, 1919, to the observations of the German delegation on the conditions of peace that this possibility was officially mentioned to the Germans.⁵

11. Finally, and for what it may be worth, it may be observed that the interpretation adopted above tallies with that which the German delegation put upon the article in question at the time of the Peace Conference; for they said in their observations of the 29th May, 1919, that 'Germany will be very hard pressed by the form in which guarantees are demanded, because it is impossible for her to discharge her heavy obligations in a short time, so that in accordance with article 431 the liberation of the German Rhineland from foreign occupation will be postponed for an indefinite time.'⁶

12. To turn now to the declaration of the 16th June, 1919; this is a difficult document to deal with, because nothing is known of its origin or history, nor of the motives which led to its being drawn up. Some things, however, are clear. It is not a document on which the Germans are entitled to rely, because they are not parties to it. On the other hand it is binding as between the three (now two) Powers whose representatives signed it. But it cannot be regarded as in any way modifying the terms of the Treaty of Versailles, since

⁵ See *British and Foreign State Papers*, vol. 112, pp. 244-316, especially p. 285.

⁶ See *Papers relating to the Foreign Relations of the United States: The Paris Peace Conference of 1919*, vol. vi, p. 880.

this could not be done by a document to which only three of the signatories were parties, though it may amount to an agreement between the three signatories to waive their rights under the treaty in any matter which did not affect any of the other Allied signatories. In this connection it is interesting though possibly not now important, to note that Belgium is not a party to the declaration, although her assent to any waiver of the Allies' rights in regard to the occupation of the Rhineland is just as necessary as that of France, since Belgian troops take part in the occupation, and Belgium is a party to the Rhineland Agreement.⁷

13. The importance of the declaration consists, of course, in the actual undertakings to which it committed the signatories; but it may be also considered material as throwing some light on the ideas of the signatories as to the interpretation of article 431. To take this latter point first, strictly speaking, a tribunal which had to interpret article 431 ought not to take that declaration into account at all; it is quite a separate document and not binding on any parties to the treaty other than the three who signed it; and it does not appear that it was ever communicated to the Germans until it was published after the signature of the treaty. But there is no guarantee that an international tribunal would not take it into account in this connection, and it is, therefore, right to point out that the second paragraph is inconsistent with the interpretation of article 431 which I am advised is correct. For the reason given in the paragraph for withdrawing the troops before the expiry of the fifteen-year period is that the cost of occupation involves an equivalent reduction of the amount available for reparation; from this it results that the signatories assumed that at the time of the withdrawal there would be still payments to be made on the reparation account. Whether the signatories realised this at the time may perhaps be doubted, and in any case it seems unnecessary to take this into account in forming our opinion as to the interpretation of article 431, nor should we accept any attempt by Germany to rely upon it. The first paragraph of the declaration ought to throw some light on the question, but unfortunately it is almost impossible to understand.

14. However this may be, paragraph 3 of the declaration is perfectly clear. By it the three Powers undertook, *as between themselves*, to come to an agreement for an earlier termination of the period of occupation even if Germany's obligations had not been completely fulfilled, provided she had 'given proofs of her goodwill and satisfactory guarantees to ensure the fulfilment of her obligations.' In other words, the three Powers agreed with each other to accept satisfactory guarantees in place of the actual fulfilment of all Germany's obligations to which they were entitled under article 431. The position is perhaps a little odd, because Allied Powers, other than the three, were interested in reparation, and might well claim to be heard before the most effective method of securing the payment of reparation which the Allies thought they possessed was abandoned, but the point is probably now not very material.

⁷ This agreement of June 28, 1919, is printed in *British and Foreign State Papers*, vol. 112, pp. 219-24.

15. The above analysis of the legal issues would point therefore to the following conclusions: Germany is not entitled to claim the withdrawal of the troops of occupation under article 43¹ unless she has completely discharged her reparation obligations, but we and France are bound as between ourselves, under the declaration, to come to an agreement to withdraw our troops provided we are convinced that satisfactory guarantees exist in respect of future payments; and it may be presumed that if Germany continues to carry out the Dawes scheme, such guarantees would be regarded as existing. From the British point of view this is a distinctly convenient result; for whereas as against Germany we can maintain that she has no rights, as against France we can insist on the fulfilment of the agreement between France and ourselves, which will enable us to take action at the time when we think most convenient, instead of being driven to it by Germany.

16. I turn now to the political aspect of the question. It is my conviction that on political grounds we should use every effort first to diminish the number of occupying troops in the Rhineland and secondly to shorten the period of occupation. This follows clearly from the policy of reconciliation which was inaugurated at Locarno and will be carried a stage further when Germany, by joining the League and adopting the provisions of the Covenant, voluntarily accepts her existing obligations and gives public guarantees against aggressive designs. The whole *raison d'être* of the Rhineland occupation will thereupon fall to the ground, and not only that but its continuation, by keeping up the old state of mind, will tend to hinder instead of help the new policy.

17. While I have set myself no rigid programme, it seems to me that the least difficult line of approach will be to aim first at a reduction in the number of occupying troops,⁸ secondly at the evacuation of the Saar, and finally at

⁸ On August 16 the Foreign Office sent a letter to the War Office requesting the opinion of the Army Council on various proposals for reducing the numbers of the British Army of the Rhine. The War Office replied on August 26 that for political, tactical, administrative, and financial reasons the Army Council were opposed to any further reduction in the numbers of the British Army of the Rhine. On September 8 the Foreign Office sent a reply to this letter in which the following views, in particular, were expressed:

'It may be useful first to recall that the Treaty of Versailles imposed certain well-defined limits both on the purpose and the extent of the occupation. The purpose of the occupation, as laid down in article 428 of the treaty and repeated in article 1 of the Rhineland Agreement, was to be a guarantee for the execution of the treaty, to which was added in article 429 that the final evacuation might be delayed until sufficient guarantees had been provided against unprovoked aggression on the part of Germany. The extent of the occupation was limited to the German territory situated to the west of the Rhine, together with the three bridgeheads, and, while provision was made for the evacuation of those territories, no provision was made for further incursions into German territory. His Majesty's Government never accepted the French thesis that any such right was contained in paragraph 18 of Annex II to Part VIII of the treaty.

'4. It will be apparent that the rôle of the army was thus confined by the treaty within more or less narrow limits. So long as the relations between the Allied Governments and Germany were merely based on an armistice, it was clearly proper that the armies should be prepared at any moment to enforce the Allied policy if necessary by a resumption of offensive action . . . but with the entry into force of the treaty the situation was entirely altered, and

a shortening of the period of occupation. At the same time I have no illusions as to the difficulty of inducing the French Government to follow us along these lines unless they receive an adequate *quid pro quo*, and I shall be astonished if the pressure of German opinion upon the German Government does

the relations of the Allied Powers and Germany must be considered as based upon the treaty as from that date. For this reason phrases such as "offensive action" and an emergency "the meeting of which is the *raison d'être* of the army of occupation," which appear in your letter under reference, would seem to be due to a misapprehension. It is true that the Allied Governments subsequent to the entry into force of the treaty threatened and indeed took further action of a forceful nature, such as the occupation of the Ruhr and of the towns which were occupied in March 1921. Such action, however, was taken not in virtue of any provisions in the treaty itself, but rather under the general power and right of any successful belligerent to enforce the performance of a treaty. It will be appreciated that to-day action of such a nature is no longer a practical proposition, more especially if, as is hoped, Germany is shortly to become a member of the League of Nations and the Locarno Treaty thereby comes into force. If therefore in the years immediately succeeding the war there might have been some justification for maintaining a reserve force for the purpose of taking offensive action, no such justification exists to-day. The rôle of the armies indeed is rather the passive one of remaining in occupation of the areas allotted to them. It is clearly necessary, as the Army Council rightly points out, that they should be strong enough to ensure their own security, but for that purpose, if the council's views are rightly understood, the British army at little more than half its present strength (i.e., 4,000 to 5,000 men) would suffice even if considered as an isolated force. Sir Austen Chamberlain cannot but feel that it would be difficult to justify the retention of an additional 3,000 to 4,000 men in the British force for possible use in offensive action, if it was felt desirable on general grounds of policy to withdraw them. In the very improbable event of their being withdrawn and of serious disorders subsequently breaking out in the Rhineland, the proper course would appear to be to reinforce the army from this country.

'5. Again, it is observed that the Army Council attach importance to the desirability of demonstrating to the world the solidarity of our alliance with France, and fear that this country, and particularly the British army, would suffer serious loss of prestige were it to appear that the British army was not taking its proper share of responsibility in the occupation. It is unnecessary to say that it is far from Sir Austen Chamberlain's desire to suggest any action which might in any way tend to lower the prestige of His Majesty's forces, and for this reason he is inclined to agree with the Army Council that a reduction of the British army on the Rhine to 1,000 men or to a single company must be ruled out as impracticable. At the same time, he is not convinced that a reduction to 4,000 or 5,000 men would have any such deleterious effect.

'6. . . . While it is his [Sir A. Chamberlain's] firm belief that the foreign policy of this country should be based on an *entente* with France, it is certainly no longer correct to speak of an alliance, which term is used in the third paragraph of your letter under reference. There is no alliance between this country and France. Still less is there any alliance directed against Germany. It was indeed the very essence of the Locarno policy to bring to an end the war-time alliance and to put in its place a system of co-operation in which Germany should be included. For this reason Sir Austen Chamberlain feels it as undesirable as it is misleading to use language which might suggest that the war-time alliance is still in existence. Such indeed is the character of the treaty that this country might conceivably find itself ranged in alliance with France against Germany or with Germany against France, and it would be improper at this stage to base any policy on the assumption that a breach of the Treaty of Locarno can only come from one quarter.

'7. Finally, in addition to their political arguments, the Army Council adduce further reasons of an administrative and financial character against any further reduction being made in the British forces. While the Secretary of State fully appreciates the force of these arguments from the army point of view, he feels bound to point out that it will not be possible

not make the task even harder for France than it need be. Nevertheless I am not without hope that French statesmen will see that for success in dealing with the economic difficulties of France they require political appeasement and a spreading conviction in Europe and elsewhere that the danger of new quarrels is averted for our time at least. Your Lordship will observe that the German Government are fully alive to this aspect of the question and have every hope of using it to serve their own ends. Here, too, there lies a certain danger for British interests, for it is not impossible that the French and German Governments may endeavour to conclude some bargain without consulting us on the basis of the withdrawal of the occupation and more prompt payment of the Dawes annuities. Extreme vigilance is therefore required to see that nothing is done behind our backs, and that we are not merely called upon to ratify an agreement already concluded.

18. I do not ask your Lordship to take any action on this despatch. It would, indeed, be undesirable that you should do so. I am anxious, however, that you should be aware in advance of some at least of the developments which are likely to ensue after the entry of Germany into the League, and more particularly that you should keep a vigilant eye open and should report to me at once anything which may come to your knowledge that has a bearing upon these high matters of State.

I am, &c.,
(For the Secretary of State)
C. HOWARD SMITH

to defend the occupation after its political necessity has ceased, by pleading the effect of withdrawal on the army estimates or the insufficiency of barrack accommodation in this country. Also he desires seriously to warn the Army Council that fifteen years was always considered the maximum and not the minimum for the occupation, and that it is wholly unsafe to base army plans on the assumption that any troops of occupation will remain for the whole of that period.' In this connexion the attention of the Army Council was in conclusion drawn to article 431 of the Treaty of Versailles, to the tripartite declaration of June 16, 1919, and to the considerations advanced in paragraphs 15 and 16 above.

No. 154

Record¹ of a conversation with Herr Dufour-Feronce

[W 7630/223/98]

FOREIGN OFFICE, August 17, 1926

Germany and the League

Herr Dufour came this evening to bring me an answer to the representations which, on behalf of the Secretary of State, I had made to him on Friday² in regard to the report that the German government were about to attach extraneous conditions to Germany's entry into the League. He read to me a telegram from Dr. Stresemann in which the latter said the German

¹ This unsigned record was presumably by Mr. Gregory.

² August 13, 1926: see No. 149, note 4.

government had never made the despatch of the German delegation to Geneva conditional on either the reduction of the forces of occupation or the termination of control. At the same time, however, he wished to say that the German government considered that these things were of paramount importance to them, especially the reduction of the forces of occupation, and that they would get into a difficult position if a substantial reduction had not been effected before September. He trusted that Sir Austen Chamberlain would not look on this as an extortion, but the matter had been postponed by France up to the last minute and some action was really necessary now.

I said that I must reserve observations on the issue itself, but that I was extremely gratified to take note of the assurance that there was no foundation for the report that had reached us and that the German government were not going to make the two questions of entry into the League and the reduction of Rhineland forces, etc., interdependent.

We then turned to the question of procedure at Geneva, and I gathered from Herr Dufour that his government were now no longer opposed in principle to a preliminary meeting of the Committee (for the composition of the Council), provided that they could get a more precise idea of what we meant when we said it should consider 'minor concessions' in regard to Spain and Poland. He said that his government were most anxious that there should be no rift in the proceedings, but they did not see how that could be avoided if there were to be any serious alteration or modification of the Committee's report. I replied that I could only repeat what I had said over and over again that it was our intention that the report should go forward to the Council substantially unchanged, and that we had no bargain or pre-arrangement with anyone for any amendment whatever. We merely cherished the hope that it might still be possible for the Committee itself to discover some slight adjustment which would prevent the departure of Spain or the alienation of Poland. Herr Dufour said that this still would not quite meet the point, as his government felt that we must have got some idea in our heads as to what sort of minor concessions were possible. All they desired to know was how our minds were working. They merely wanted a rough idea, and had of course no idea of any pre-arrangement with us or any other Power. But they did find it very difficult to make up their minds to this Committee meeting until they had satisfied themselves that what we called a minor concession really was, from their point of view also, a minor concession.

Herr Dufour then referred again to France's attitude and asked me whether we had any confirmation from Paris of the conversation between M. Berthelot and Herr von Hoesch which he had originally reported to me and which had upset his government so much?³ I told him that I thought there must have been a little confusion. My information was that there had been a number of conversations during the last ten days or so between M. Berthelot and Herr von Hoesch, and in the course of them there had probably been a few misunderstandings. On the contrary we had every reason to believe that the

³ See No. 149.

French government and ourselves were working along similar lines, and I could see no divergence between that and the point of view of the German government.

Herr Dufour said he was exceedingly glad to learn that, and he added that his government had expressed themselves highly gratified by the earlier assurance I had given that the main object of His Majesty's Government was the entry of Germany into the League and that they would allow nothing to deflect them from that. He concluded, however, by saying that the German delegation would not leave Berlin until they knew that Germany had been elected to the League and to the Council.⁴

⁴ On the same day Sir W. Max Muller reported to Sir A. Chamberlain in Warsaw telegram No. 111 that M. Zaleski had informed him that he had learnt that the Turkish Government had been contemplating joining the League of Nations, but that the Turkish Minister for Foreign Affairs had since informed him (M. Zaleski) that 'Russian and German governments had dissuaded Turkish government from joining League of Nations although German government had merely advised them to defer application until after Germany's entry into League of Nations as if Germany did not join this September she and Russia would form a group of nations in opposition to the League and would wish Turkey to belong to it. [Polish] Minister for Foreign Affairs [*sic*] said he regarded this incident as an indication of German policy and begged me to communicate it to you for your confidential information.' Sir A. Chamberlain doubted whether the Turkish Government had contemplated joining the League of Nations in September.

No. 155

*The Marquess of Crewe (Paris) to Sir A. Chamberlain
(Received August 19, 8.30 a.m.)*

No. 335 Telegraphic: by bag [W 7898/223/98]

Confidential

PARIS, August 18, 1926

Monsieur Berthelot informed Mr. Phipps confidentially this afternoon that Monsieur Fromageot, who had returned from London very pleased with the conversations which he had had with you and Sir Cecil Hurst regarding the entry of Germany into the League,¹ would proceed almost immediately to Berlin in order to have conversations there on the same subject with Herr Stresemann and Dr. Gaus.² The French government felt that it was most important to endeavour to come to a direct understanding with Germany in the matter.

¹ Sir C. Hurst and M. Fromageot had lunched with Sir A. Chamberlain on August 14 to discuss the Saar: see No. 267. As regards the composition of the Council of the League of Nations, Sir A. Chamberlain recorded that 'The French Government appear to be moving on much the same lines as ourselves' and that he agreed that Franco-German conversations should take place before the reassembly of the Committee on the Composition of the Council.

² Sir C. Hurst was unable to join M. Fromageot at Berlin as was suggested by Lord D'Abernon in Berlin telegram No. 212 of August 20.

*Sir A. Chamberlain to the Marquess of Crewe (Paris)**No. 2358 [W 7659/223/98]*FOREIGN OFFICE, *August 18, 1926*

My Lord Marquess,

On my instructions Mr. Gregory received the French Ambassador on the 13th instant in order to explain to him my anxiety about the possibility of complications arising in regard to the admission of Germany into the League and the composition of the Council. There were already indications that things were not quite as they should be. I felt it probable that Monsieur Briand shared my anxiety and I desired therefore to call his attention to certain new disturbing elements.

2. In the first place reports had been received from Berlin that there was a possibility that the German Government would at the last moment connect such questions as the reduction of Rhineland forces and termination of control with Germany's entry into the League. His Majesty's Government had at once let it be known in Berlin what the consequences of any move of this kind would be and they had impressed very strongly on the German Government that since His Majesty's Government were making the entry of Germany into the League and Council the first object of their policy they had at least a right to expect that Germany should make things as easy as possible. Monsieur de Fleuriau said that he had heard nothing of any such intention on the part of the Germans and seemed to doubt there being much truth in the report. At the same time he thought that the warning to the German Government would be salutary.

3. Mr. Gregory then referred to the possibility of complications arising out of a general misconception of the functions of the Committee for the Composition of the Council and the constructions which were being placed on the conversations that had been passing in various quarters in regard to the claims of Spain and Poland. He said that just at that moment Monsieur de Fleuriau's letter covering the Saar memorandum¹ had passed through his hands, and he had noted with satisfaction that Monsieur Briand had definitely pronounced against the idea of a five-years mandate. This made it all the more curious that the Germans should have got it into their heads, as they had, that substantial changes in the Committee's report were contemplated and even agreed upon. In particular they had got hold of a conversation reported to have taken place on August 7th between Monsieur Berthelot and Herr von Hoesch, at which the former had said, so it was stated, that Spain had virtually been promised a special position.² His Majesty's Government had been at great pains to explain to the German Government that they had made no bargain of any kind with Spain or anyone else but that they contemplated the submission to the Council of the Committee's report substantially as it stood, subject only to the necessary fulfilment of the terms of

¹ See No. 137, note 4.² Cf. No. 149.

reference, technical formalities and such minor adjustments or concessions as it might be possible for the Committee to agree on which might help to keep Spain in the League. This had also been made clear to both the Spanish and Polish Governments.

4. Monsieur de Fleuriau said that he had no record of the conversation between Monsieur Berthelot and Herr von Hoesch, but that he knew of its existence from Monsieur Fromageot. The only reference, however, that the latter had made, was to what had been said in regard to Poland, and, as far as he could remember, all that Monsieur Berthelot had said was that Germany and Poland should join the Council together. Monsieur Fromageot said nothing about Spain having been mentioned. Mr. Gregory reminded Monsieur de Fleuriau that the question of the joint entry of Germany and Poland also required very careful handling. Monsieur de Fleuriau said that he would see Monsieur Fromageot in the morning and try to ascertain exactly what had passed, but he seemed very sceptical as to this report and in general thought that His Majesty's Government were unduly alarmed and that there was no real ground for anxiety.

5. Mr. Gregory concluded the conversation by saying that it was as ever my earnest desire to move together with Monsieur Briand on the same lines. He added that whilst I did not propose to write again to Monsieur Briand in answer to his letter³—and he requested Monsieur de Fleuriau to thank Monsieur Briand warmly—yet I could not pretend to be satisfied by a reduction of only five thousand on the present figures of troops in the second and third zones, since the promise was to reduce them below the numbers at which they stood at the time the promise was given.

I am, &c.,

(For the Secretary of State)

G. H. VILLIERS

³ The enclosure in No. 135.

No. 157

Note from Sir A. Chamberlain to the Marquis della Torretta

[C 8909/391/90]

FOREIGN OFFICE, August 18, 1926

Your Excellency,

With reference to my note of the 10th August, I have the honour to inform your Excellency that I have now given careful consideration to M. Mussolini's despatch to you No. 381 of the 18th July on the subject of Italian interests in Albania and in the Adriatic, of which you handed me a copy on the 29th July on the instructions of his Excellency.¹

2. I was particularly gratified at the friendly terms in which his Excellency referred to the cordial personal relations which so happily exist between us,

¹ See No. 118 and note 6 thereto.

and I need not assure you how fully I reciprocate those feelings. They help to promote that close co-operation and friendship between our two Governments which I believe to be as much an object of his policy as of mine. Indeed, had I not been confident that such were the real sentiments which inspire M. Mussolini's policy, I might have felt constrained to call attention to certain phrases in the despatch the implications of which at first sight affected me unpleasantly. I do not, however, allow myself to dwell on them, as I am convinced that it could not have been M. Mussolini's wish to use any language which could give offence to a great and friendly nation, which even in the matters now under discussion has given constant and signal proof of her scrupulous loyalty to Italy and shown particular regard for Italian interests and susceptibilities. I prefer to think therefore that I have read into the words a meaning that they could not have been intended to convey and to dismiss that aspect of the matter from my mind.

3. But on reading M. Mussolini's despatch carefully, I feel that my verbal reply to the brief summary which Your Excellency gave me at our interview of the 29th July, though complete in itself and categorical in its assurances on the points to which my attention was drawn by Your Excellency in your verbal explanation, is a very inadequate answer to a document of such scope and importance as it now proves on examination to be; I am convinced that in the interest of Anglo-Italian friendship it is incumbent upon me to deal as fully and frankly as M. Mussolini himself both with the account of the past given in the note and with the actual and future situation. I must request Your Excellency, therefore, to transmit this note to Rome as my considered reply to the various points raised in M. Mussolini's despatch.

4. In the despatch the statement is made that His Majesty's Legation at Durazzo sought in February 1925 to preclude Italian participation in the exploitation of Albanian oil. In the interests of future cordial understanding between our countries I cannot refrain from expressing my concern at so complete a misrepresentation of what was then the position and of the policy adopted by His Majesty's Government and loyally carried out by His Majesty's Legation at Durazzo. I need not recall to Your Excellency that the Anglo-Persian Oil Company held at that time an old but not exclusive concession requiring ratification by the Albanian Government. After repeated delay it came up for consideration in February 1925 when His Majesty's Legation afforded the customary diplomatic support. When, however, His Majesty's Government became aware of the hostility with which the concession was regarded in Italy, unexceptionable though their position was and unchallengeable their status, they immediately informed the Italian Government that the Anglo-Persian Oil Company were prepared in deference to their wishes to exclude from their concession the area understood to be claimed by Italy. When they subsequently learned that Italy claimed yet a further area, His Majesty's Government induced the Anglo-Persian Oil Company to go still further to meet Italian wishes by concluding an arrangement providing for Italian collaboration in the working of their concession. Finally, His Majesty's Minister at Durazzo, on my instructions,

lent his support to secure the ratification by the Albanian Government of the Italian oil concession. His Majesty's Government feel that in the matter of the oil concession they could hardly have given more definite evidence of their desire to meet Italian wishes, and they must confess to being surprised and pained at the small value apparently attached to their friendly offices.

5. It is also suggested in M. Mussolini's despatch that a policy similarly designed to maintain British preponderance in Albania continued to pervade His Majesty's Legation throughout the year in question. The attitude of His Majesty's Government in relation to the oil concession indicates that this suggestion is not warranted, and to show how little foundation there is for it, I need only recall the facts. For example, in February 1925, Colonel Stirling, acting as Adviser to the Albanian Ministry of the Interior, asked for the support of His Majesty's Government in the formation of an Albanian gendarmerie staffed with British officers. His Majesty's Government declined to give any encouragement to the scheme and with the loyalty to Italy which has consistently marked their policy in Albania, they informed the Italian Government of the proposal which had been made to them and of their refusal to countenance it. I need not remind Your Excellency that His Majesty's Government had previously refused Colonel Stirling himself any official encouragement in taking up his own appointment as Adviser to the Albanian Government in 1923 which had been offered to him without their previous knowledge. Such an attitude in the case of opportunities offered unsought is clearly irreconcilable with any selfish policy. Again, far from encountering British obstruction, it was in the course of 1925 that the Italian Government were able to carry into effect that notable programme of economic penetration in Albania including a far-reaching bank concession, to which M. Mussolini refers. His Majesty's Government were not consulted in this matter by the Albanian Government and I need hardly say that they offered no advice, either for or against, the proposal to Ahmed Bey.

6. I do not disguise that, on several occasions, the Albanian Government have applied to His Majesty's Government for advice; but I wish to impress upon his Excellency that on each occasion His Majesty's Government have studiously avoided going beyond a general recommendation that Albania when in difficulty, of which she herself must be the judge, should appeal (as she has, of course, every right to do) to the League of Nations. When Ahmed Bey recently enquired of His Majesty's Government whether he should not apply to the League for a financial adviser, His Majesty's Government declined to offer any advice and they instructed His Majesty's Ambassador at Rome² to inform the Italian Government accordingly.

7. Particular reference is made in M. Mussolini's despatch to the recent incident at Durazzo connected with the resolution of the Ambassadors' Conference of the 9th November, 1921; and it is maintained that Ahmed Bey was clearly convinced that he had the support of His Majesty's Government in resisting recognition of the resolution and that His Majesty's Legation had supplied him with arguments against compliance.

² In Foreign Office telegram No. 191 to Rome of July 12, not printed.

8. His Majesty's Government have no knowledge of or responsibility for any arguments that Ahmed Bey may have employed when resisting the Italian demand. If he asserted that he had the support of His Majesty's Government he had absolutely no authority to make any such statement, for His Majesty's Government have never expressed any opinion to him as to their attitude in regard to the resolution. I am gratified, therefore, to observe that M. Mussolini does not attach credence to the hearsay of previous engagements entered into by His Majesty's Government.

9. Ahmed Bey may have acquainted His Majesty's Minister first with the alleged Italian ultimatum. But be that as it may, Mr. O'Reilly refrained from offering any advice and confined himself to telegraphing to me, as in duty bound, a full account of the information in his possession.³ I understand that Ahmed Bey made similar communications to the French and Yugoslav Ministers. As soon as I heard from Mr. O'Reilly I at once applied to M. Mussolini direct,⁴ in the sure hope of receiving an explanation of what I did not doubt was a misunderstanding. M. Mussolini cannot properly charge me with acting with anything but the most complete loyalty to him over this incident—a fact which I do not doubt that His Excellency fully recognises.

10. Thus far I have felt it my duty to correct what are evidently mistaken views of British policy in Albania. That policy, I would emphatically repeat, has been one of strict loyalty to Italy. His Majesty's Government have neither sought for themselves an exclusive position nor have they sought to deny to Italy the position to which her greatness and her proximity entitle her. They have, in fact, eschewed direct responsibility in Albania to a degree open to criticism and misinterpretation in some quarters, and have confined themselves to their general, but indirect, responsibility as a sponsor of her independence and as a fellow member of the League of Nations. The frontiers of Albania having at length been determined,⁵ His Majesty's Government desire, as elsewhere in Europe, the maintenance of those frontiers. They take no special interest in Albanian internal affairs and they regard the League of Nations as the appropriate channel for any advice or assistance which Albania may require.

11. If, however, British policy towards Albania herself is thus in the main negative and disinterested, I cannot deny my anxiety lest events in connection with that country may shape towards a crisis fraught with grave danger to the peaceful relations of her neighbours. As such, Albania is and must be a matter of concern to every member of the League.

12. In the Ambassadors' resolution of the 9th November, 1921, special recognition is given to the interest of Italy in the maintenance of Albanian independence. It is therein provided that, in the event of Albania being unable to maintain her territorial or economic integrity or independence as

³ See Nos. 69 and 72.

⁴ See Nos. 73 and 75.

⁵ The final act of delimitation of the Albanian frontiers had been signed in Paris on July 30 by members of the Conference of Ambassadors and representatives of Albania, Greece, and the Serb-Croat-Slovene State.

the result of foreign aggression or any other event, the signatories undertake to instruct their representatives on the Council of the League to recommend that the restoration of the frontiers be entrusted to Italy. The terms of the resolution as thus finally signed were the result of direct negotiations between our two Governments, and represented a compromise between the British point of view that Albania having already been admitted a member of the League of Nations, it was undesirable to recognise any special rights as belonging to any one Power in respect of that country and the Italian point of view, that Italy must be recognised as having a special and exclusive right to watch over and direct the course of Albanian affairs.

13. Such being the facts, as I need not recall to Your Excellency, who was Minister for Foreign Affairs at the time, I should be lacking in the frankness becoming to Anglo-Italian relations if I did not express my concern at certain conceptions which appear to underlie M. Mussolini's despatch.

14. As I trust I have convinced Your Excellency, His Majesty's Government have themselves no special interest in Albania, and have no desire to obstruct legitimate Italian expansion in that country. In the resolution of the 9th November, 1921, moreover, they have recognised the special interests of Italy in the maintenance of the integrity of the country. Whilst His Majesty's Government have never suggested that Italy should not exercise there the influence to which her importance and her proximity entitle her, they have consistently declined to admit, as is made clear by the circumstances in which the resolution was drawn up and by the text as finally signed, that any Power should enjoy there an exclusive influence. The position of Italy in respect of Albania owing to geographical and economic considerations, must necessarily be of a very special kind, but the resolution cannot be interpreted as conferring upon any Power any exclusive right of influence or intervention in normal times, as apart from those special circumstances of foreign invasion or other event involving a threat to Albanian integrity. Such remains and must remain the consistent policy of His Majesty's Government, not from any selfish motive, but from the conviction that such a claim by any Power would be viewed with suspicion by third parties and might lead, however baseless the suspicion, to a situation not unlikely to endanger peace.

15. Finally, I must add, and I am convinced that His Excellency will not misinterpret my motive, that such being the policy of His Majesty's Government, designed not to secure any exclusive or even special position for themselves but intended solely in the interest of the maintenance of the *status quo* and of peace in the Near East, they must likewise maintain their view of the freedom of the Adriatic which is consonant with their general and consistent policy in other parts of the world, and is based on the consideration that although certain Powers may have special interests in certain seas, these interests cannot be held to confer any exclusive right. M. Mussolini may rest assured that nothing is further from the intentions of His Majesty's Government than to take any improper part in the internal politics of any Balkan State or to interfere with the legitimate interests of other nations in that

region of Europe;⁶ indeed, I am convinced that his Excellency does not impute such intentions to His Majesty's Government, but I feel it my duty to stress this point in order that no possible misunderstanding may arise in future with regard to the movements of His Majesty's fleet in the Adriatic and other seas.

16. If I have allowed myself to address Your Excellency thus candidly, it is because of the frankness which M. Mussolini has himself employed. In view of the possibility of some incident in Albania leading to an appeal to the League of Nations, I would desire that His Excellency should be aware beyond possibility of misunderstanding of the considerations upon which the policy of His Majesty's Government is based. For nothing would be more distasteful to me than to find myself at the Council table of the League in opposition to Italian wishes, a distaste which I feel convinced his Excellency would share.

I have, &c.,

AUSTEN CHAMBERLAIN

⁶ The preceding portion of this sentence is cited in translation in *I Documenti Diplomatici Italiani*, Settima Serie, vol. iv, p. 292, note (2).

No. 158

Memorandum by Mr. Huxley¹ on the Amnesty negotiations in the Rhineland [C 9282/215/18]

FOREIGN OFFICE, August 18, 1926

On October 26th 1925 Lord Crewe, acting on instructions, informed the Ambassadors' Conference that in the opinion of His Majesty's Government the time had arrived when the arrangements for the evacuation of the Cologne zone should be considered, and suggested *inter alia* that it would be desirable, before the evacuation, to obtain from the German Government an understanding similar to the amnesty provisions of the London Agreement of August 1924,² that no action of any nature would be taken against persons on account of services rendered to the Allies. The Conference was accordingly invited to consider the desirability of obtaining in due course some such assurance from the German Government.³

2. The Legal Committee, who were called on by the Conference for a report, pointed out that the settlement of this question could not be made a condition for the evacuation of Cologne and that a special declaration would have to be obtained from the German Government, who, they considered, should be asked for assurances that no one would be molested, either by reason of his political attitude in the evacuated zone from the armistice to the date of evacuation, or by reason of his obedience to orders of the occupying authorities, or by reason of his relations with the said authorities.

¹ A member of the Central Department of the Foreign Office.

² i.e. article 7 of the Agreement of August 30, 1924 (cf. No. 93, note 4), printed as item No. 2 in Cmd. 2259 of 1924.

³ See Volume I, No. 19.

3. The Rhineland High Commission, who were next called on for an opinion, suggested (1) that the German undertaking (without embracing protection of persons against molestation by reason of their political attitude), should be confined to relations with or services rendered to the occupying authorities, (2) that the undertaking should be extended to cover the whole of the occupied territories (with the further stipulation, apparently as an afterthought, that in the case of territories remaining occupied, the German undertaking should also apply to the future) and (3) that as a measure of conciliation and reciprocity the High Commission should remit the penalties inflicted for offences against the armies of occupation or against the ordinances of the High Commission in so far as those offences did not involve infractions of the common law or espionage.⁴

4. It was also held desirable that the Germans should be invited to take the initiative in the matter, and the Conference on November 6th accordingly decided to charge M. Cambon to approach the German Ambassador unofficially with a request for an assurance on the above-mentioned lines, and at the same time to bring to his notice the counter-measures of clemency proposed by the Rhineland High Commission. This M. Cambon did on November 9th, 1925 in the aide-mémoire reproduced in Annex I.⁵ On November 14th (the date of the Ambassadors' Conference note regarding alleviations in the Rhineland) the German Ambassador replied with an aide-mémoire (see Annex II)⁶ the terms of which were not considered quite sufficient by the French Government. The note of November 14th accordingly left the point vague in the following terms:— ' .⁷ they (the Governments participating in the occupation of the Rhineland Territories) have also intimated to the German Government that the Rhineland High Commission was prepared to grant large measures of amnesty, satisfactory assurances being equally expected from the German Government with regard to the position of individuals having relations with the armies of occupation.'⁸

5. Conversations ensued between the German Embassy at Paris and the Quai d'Orsay, and we were informed by Lord Crewe in his tel. No. 441⁹ of November 17th that complete agreement on all points of principle had been reached on the basis of M. Cambon's above-mentioned aide-mémoire.

6. On November 23rd the Ambassadors' Conference so informed the Rhineland High Commission, adding that M. von Hoesch, in bringing to the notice of the Conference his government's readiness to give the undertaking requested, had also expressed the opinion that the political repercussions of the said undertaking rendered it desirable for conversations to take place with a view to define its exact scope; the venue of these conversations, it was agreed, should be Coblenz.

7. Discussions took place at Coblenz early in December between the legal advisers of the High Commission and the German legal experts, and a first draft was produced in the form of a protocol with attached letters from the

⁴ Cf. *ibid.*, No. 45.

⁶ Not printed: cf. *ibid.*, No. 108, note 2.

⁸ See item No. 3 in Cmd. 2527 of 1925.

⁵ Not printed: cf. *ibid.*, No. 71.

⁷ Punctuation as in original quotation.

⁹ See Volume I, No. 108.

Delegation representing the occupying Powers to the German Delegation, and vice versa.

8. When this document had been submitted to scrutiny and criticism by the General Officers Commanding the Armies in the Rhineland, the Rhineland High Commission and the British and French Governments, it became clear that the British desires would be satisfied if the German Government gave an undertaking 'sufficient to protect such persons as conscientious inhabitants and police officials who had been of assistance to the armies, from persecution after the evacuation of the Cologne zone';¹⁰ such an undertaking being more precisely defined in the instructions sent to Lord Crewe on January 15th 1926 as one 'wide enough to cover the giving of any information to the allied authorities of any act which constituted a breach of the legislation which Germany had enacted to comply with the Treaty of Versailles or of the ordinances of the High Commission'.¹⁰

9. It was equally evident, however, that the French Government were extremely reluctant to relinquish the High Commission's power to suspend by unilateral action measures which might be taken by the German judicial or administrative authorities against certain classes of person having rendered services to the authorities of occupation, that is to say the power reserved in the 'protective ordinances', unless the German Government gave an undertaking for the future sufficiently precise to form the basis of representations on the part of the French Government, should persons of that kind be subjected in the future to reprisals. In this connection our above-mentioned instructions to Lord Crewe included a reminder to the French Government that H.M. Government had hoped that the protective ordinances might all have been abolished at the time of the general revision of ordinances after the London Agreement, since they had long felt some doubt as to their validity; that the signature of the Locarno Treaties formed a further powerful argument in favour of their abolition; and that in the communiqué issued by the Rhineland High Commission to the Rhenish press on the 17th November, it was stated that 'the stipulations which provide, in respect of certain persons having rendered services to the authorities of occupation, for unilateral decisions on the part of the allied authorities, will be repealed, and amicable or arbitral procedures are in contemplation'.¹¹

10. The Germans on the other hand, as soon as negotiations were well under way, showed themselves most unwillingly to give any undertaking as regards the future at all; and it is round these two points that the difficulty in effecting the conclusion of the amnesty agreement has centred.

11. The actual form of agreement has suffered certain modifications, and the shape which it had taken at the time when the amnesty negotiations were adjourned last March for consideration of the proposals by the governments concerned, was that of draft notes to be exchanged in identic terms *mutatis mutandis* between the two delegations. These notes, copy of one of which is

¹⁰ See *ibid.*, No. 186.

¹¹ See *Official Gazette of the Inter-Allied Rhineland High Commission*, September-December 1925, p. 75.

annexed (Annex III),¹² comprised two principal sections, one relating to the past and the other to the future. It will be observed that the proposed section II read as follows:—

‘In the assurance that the spirit of the Conventions of Locarno will in the future govern the relations between the Authorities of Occupation on the one hand and the German authorities and population on the other hand, it is hereby declared:

‘1. *In the name of the Governments represented on the Rhineland High Commission:*

‘That upon the entry into force of the present agreements the protective clauses of Ordinances Nos. 27, 70, 90 and others providing for the possibility of suspending by provisional or final decisions the exercise of German judicial or administrative sovereignty will be cancelled;

‘2. *In the name of the German Government:*

‘That in view of the considerations set forth above it will intervene with all means in its power and will not fail to use its influence upon the judicial administrative authorities to prevent direct or indirect reprisals against any persons by reason of their obedience within the scope of the Rhineland Agreement, the existing treaties and the Conventions of Locarno, to the orders of the Occupying Authorities or by reason of their services to or relations with the said authorities’.

12. At the conclusion of the proceedings in March the German Delegation handed over an aide-mémoire enquiring how far the High Commission would consider itself entitled, once the protective ordinances had been repealed, to hinder or suspend by unilateral action measures taken by the German judicial or administrative authorities. They intimated that there was little chance of the German Government ratifying the amnesty agreement unless the reply of the High Commission were satisfactory in their eyes.

13. The British and Belgian members of the High Commission’s legal committee were prepared to define closely the cases in which the High Commission would claim the right of interference with the course of German law, but their view did not prevail, and the High Commission eventually confined themselves to pointing out that from ordinance 308 (in which the Locarno ‘alleviations’ were set forth in detail) and the previous practice of the High Commission, it was possible to deduce without difficulty what their attitude was likely to be in future cases; and that as regards the particular question which appeared principally to disturb the German delegation, namely, that of intervention in the case of decisions given in virtue of laws which might not be regarded as applicable in occupied territories, such intervention ought to be exceedingly rare in future, seeing that the High Commission had restricted within very narrow limits their right of supervising the application of German laws in the occupied territories, these limits being defined in Part I of ordinance 308.

¹² Not printed. Parts I, III, and IV of the annexed draft note from the German Commissioner corresponded closely to the final text printed *op. cit.*, October 1926–April 1927, pp. 5–11.

14. This reply did not satisfy the German Government, and on the resumption of negotiations¹³ the German delegation stated that their government were unable to enter into any binding engagement in respect of the future. This meant cutting out the above quoted Section II, as a substitute for which the Germans proposed an informal 'Gentleman's Agreement', embodied in a Protocol of Minute of Signature to be drawn up on the occasion of the initialling of the draft note. This Protocol was to leave open the possibility of a re-enactment of the protective ordinances, supposing the High Commission, after due experience of the working of the 'Gentleman's Agreement', considered a return to the status quo desirable. After some discussion the German delegation agreed to propose for acceptance by their government a formula (see Annex IV)¹⁴ of which the last sentence read as follows:—

'On the German side:

'Although persons rendering services to the Authorities of Occupation or maintaining relations with them cannot be regarded as having a special legal status, such persons shall enjoy the general protection of the law, of the courts and of the police against illegal reprisals, direct or indirect;

'On the Allied side:

'The High Commission agrees to *suspend* the application of Ordinances Nos. 27, 70, 90, 115, 292, 293 and Instruction No. 26 providing for the unilateral intervention of the High Commission in the exercise of German judicial and administrative sovereignty.'

15. The alternative to the acceptance of this formula would be the signature of the Notes with the omission of Section II, no attempt being made to provide a substitute. The Amnesty Agreement would then only refer to the past, i.e. would only continue to have effect in the future in respect of services rendered and relations formed prior to February 1st, 1926.

16. As intimated above, a solution providing only for the *suspension* as opposed to the *repeal* of the protective ordinances is contrary to our previously expressed opinion as to the doubtful legality of those ordinances and also to the terms of the High Commission's communiqué of November 17th 1925 in regard to 'alleviations'. On the other hand, Sir Cecil Hurst advised the acceptance of the Protocol formula. 'If,' he said, 'the Germans break the "Gentleman's Agreement" the protective ordinances will have to be re-enacted, whatever the objections to them originally.'

17. Lord Kilmarnock was therefore instructed on May 26th 1926 (despatch to Coblenz No. 205)¹⁴ to accept the above-mentioned formula; agreement was at the same time expressed with his view that it would be better to link the past and future together and not to agree to an amnesty for the past unless a similar arrangement were also reached in regard to the future; i.e. that the signature of the notes embodying Section[s] I, III and IV only, and omitting Section II altogether without providing any sort of substitute, would not be satisfactory.

¹³ On May 6, 1926.

¹⁴ Not printed.

18. Finally, in a letter dated July 10th,¹⁴ Colonel Ryan informed Mr. Lampson that the French were unwilling to accept that part of the formula which contained the undertaking to be given on the German side. Colonel Ryan and his French colleague had drawn up draft alternative formulae (see Annex V)¹⁴ which he regarded as entirely reasonable, if more definite in form than the original formula, and these alternatives were now under consideration by the German Government.

19. While the proposed alternatives are no doubt entirely reasonable in theory there would seem to be very little reason in practice for clinging to one form of words rather than another. We are asking for an assurance as regards the future, but the assurance is in any case so indefinite that we are not prepared to cancel the protective ordinances on the strength of it, and propose to retain the power of re-enacting them should it not be fulfilled.

20. So long, therefore, as the occupation of any given zone lasts, the wording of the assurances is of no consequence so far as that zone is concerned, and, as Lord Kilmarnock said,¹⁵ in recommending the acceptance of the formula agreed to with the German delegation, 'What really matters is not the wording but the spirit in which the declaration is carried out. If the future shows that the German Government for one reason or another are unable to prevent reprisals, the High Commission can reconsider the situation and, given due cause, will be free to re-apply the protective ordinances, modified if necessary to meet the circumstances of the occasion.'

21. If on the other hand the zone in question is evacuated, the writ of the High Commission will no longer run therein, and the protective ordinances will be valueless for protecting anyone. The only protection that the class of persons in whom we are interested will then have will be such as may be afforded by the German Government in fulfilment of the assurance in regard to the future which they are now giving. This assurance is, however, manifestly inferior to that which we have considered essential in regard to the past, (vide our above-mentioned instructions to Lord Crewe of last January) and if on the occasion of a future evacuation we desire to ensure the protection of 'such persons as conscientious inhabitants and police officials who have been of assistance to the armies, from persecution' to the same extent as we did on the evacuation of Cologne, we shall either have to have further negotiations or we shall be dependent on German good will. Here again, therefore, the wording of the present assurances would seem to be of no particular consequence.

22. If therefore the Germans show reluctance to accept one of the new alternatives mentioned in Colonel Ryan's letter, it is suggested that Lord Kilmarnock should be instructed, for the reasons given above, to waive, so far as H.M. Government are concerned, any further demand for assurances as regards the future.¹⁶

¹⁵ In Coblenz despatch No. 95 of May 14, not printed.

¹⁶ On August 21 the negotiations were successfully concluded and the documents comprising the agreement regarding an amnesty in the Rhineland were signed on September 10. The texts are printed *op. cit.*, pp. 2-17. The ensuing ordinances of the High Commission,

Nos. 310 and 311 of September 11, are printed *op. cit.*, January–September 1926, pp. 12–17. On October 14 the High Commission communicated to the German Commissioner a list of offences which would, subject to certain reservations safeguarding the interests of the Armies of Occupation, be transferred to the jurisdiction of the German courts.

No. 159

Memorandum by Mr. Perowne

[C 9371/234/18]*

FOREIGN OFFICE, August 18, 1926

I returned on Monday¹ from a holiday in Germany. It may be worth while drawing attention to three aspects of the present situation there as it appeared to me. These are in order:—

1. *The evident fact that the German middle and lower-middle classes have money to spend and spend it freely.*

They are able to travel about in multitudes. All are decently and newly, if hideously, dressed in garments which are dearer in Germany than in this country; the cafés and places of amusement are full to the brim (neither refreshments nor amusements are noticeably cheap); the museums, picture galleries, castles, &c., are crowded with German trippers (entrance generally 1 mark, sometimes 2 or even 3 marks per head). The sums expended on their costumes, decoration of their machines, &c., &c., by the individual members of the German bicycle clubs, 3,000 of whom rode past in procession at Dresden on the 8th August, must have been very considerable. Festivities of all kinds organised by municipalities and State Governments, with expensive new exhibition buildings and attractions, are evidently paying concerns, in spite of the high charges for admission. One would hardly imagine that a provincial town in England would be able to enclose 320,000 square yards in the public park and turn it into a flower exhibition with anything like the prospect of success, especially with an entrance charge of 1s. 6d. Yet this is what Dresden has done this year. It is well to remember that the foreign tourist does not flock yet to Germany in very great numbers, though a few Americans are to be seen in the larger places. In other words, these exhibitions, &c., depend ultimately on the German public for the success which they generally seem to achieve.

While, on the one hand, there are undoubtedly many people who, formerly well-off, now find themselves in straitened circumstances, consideration, on the other hand, of the above, conjointly with the gradually increasing deposits in the savings banks and with the general air of prosperity which pervaded most of the places visited (some twelve or fourteen different towns), which compares favourably with the impressions gathered in 1924 and 1925, leads one to the conclusion that there can be small justification for the plea for a reduction in the Dawes annuities, regarding which tentative propaganda is already beginning to circulate.

¹ August 16, 1926.

2. *The success which attends the efforts that are being made, with Government assistance or otherwise, to popularise physical culture of every kind throughout the country with a view to 'preparing' the nation for future struggles.*

In this connection attention may be drawn to the propaganda film 'Wege zur Kraft und Schönheit,'² now on tour and enjoying in each place a run of several weeks at a time before crowded houses. The captions are illuminating at times, *e.g.*, words to the effect that 'as we are now prevented from making ourselves strong and fit by service in the army we must adopt other methods to achieve this end so as to be prepared for eventualities, &c.' (I do not guarantee the exact words, but this is the implied sense.) The final part of this film, which shows a company of soldiers in what I took to be pre-war uniform goose-stepping past, followed by hundreds of young Germans dressed only in bathing drawers, marching along in precise formation, was most impressive, and was received with rapturous applause by the audience on both occasions on which I saw it. The Locarno leaven, as the Embassy have warned us, can only work slowly in the dough of the majority of the German public.

3. *The definitely diminished popularity of Great Britain.*

Up till last year the German instinct generally was to indicate appreciation of England and His Majesty's Government and to evince cordiality towards British nationals, largely no doubt because in the German view the British were useful in restraining the French. The *détente* in Franco-German relations which resulted from Locarno and the subsequent *rapprochement* appear quite definitely to have reacted to the detriment of our former popularity whatever its origin. There seems to be a deep-rooted idea that Germany cannot be friendly with France and Great Britain at the same time, or it may merely be that some instinct exists that German interests are best served by playing one Power off against the other. There is, however, I venture to think, a little more in it than that. The French up to the last year used to be the villains of the piece in German estimation, by reason of the Ruhr, black troops, &c., &c. Now with all the colonial propaganda which is going on—colonial week at Hamburg, &c., &c.—we seem in a fair way ourselves to fill that unenviable rôle in the not too distant future. The Germans have achieved considerable alleviations in the sphere of the occupation and reparation and the sense of frustration they will obtain from the predestinate unsucccess of their colonial propaganda may well engender a greater dislike of Great Britain than formerly of France, since the British Empire is the *détenteur* of the bulk of the former German Overseas Empire.

This prospective unpopularity has its material importance, since it may well become translated for us into difficulties over various matters where British interests in Germany are concerned. As Lord D'Abernon has pointed out on more than one occasion, it is impossible for any German Government, constituted as it must be, to lag behind public opinion to any very marked extent.

The above remarks apply only to the feeling of the general public as far as

² Paths to strength and beauty.

I have been able to gauge it from conversations and a perusal of the daily press, and not, of course, to the views held or expressed by representatives of the Administration or by people necessarily in touch with governmental circles.

J. V. PEROWNE

No. 160

Mr. London (Geneva) to Sir A. Chamberlain

(Received August 19, 8.45 p.m.)

No. 149 L.N. Telegraphic [W 7761/78/98]

GENEVA, August 19, 1926, 6 p.m.

Following from Mr. Roberts.

My despatch No. 22. L.N.C.C.¹

My private letter.² [L.]N.C.C. Sub-Committee has now finished examination of military consequences of inserting in disarmament convention provisions similar to those contained in statute of international labour office. These contemplate providing in convention for commission of enquiry to investigate complaints of infraction.

On Tuesday³ German delegation made following declaration 'German delegation is uncertain whether system of enquiries contemplated by this proposal resembles from technical point of view régime of control to which Germany has been subjected. If so German delegation declares that in its opinion such a régime of control even from technical military point of view is incompatible with the dignity and sovereignty of a state and can only be accepted by a state that has succumbed to world of enemies'.

French delegation replied that certain states were ready at present time to submit to a control of execution of engagements which they might have undertaken.

¹ No. 148.

² No. 144.

³ August 17, 1926.

No. 161

Mr. London (Geneva) to Sir A. Chamberlain

(Received August 20, 8.45 a.m.)

No. 150 L.N. Telegraphic [W 7791/78/98]

Secret

GENEVA, August 19, 1926, 6 p.m.

Following from Roberts.

My immediately preceding telegram.¹

I asked Major Lucien yesterday if he could tell me attitude of his government on the whole question of supervision. I said that his strong support of supervision in face of widespread opposition indicated that his government attached great importance to it and I suggested that their object was to prevent preparatory commission from doing anything which might prejudice

¹ No. 160.

Council scheme of investigation for Germany.² He agreed that this was so adding that although subject matter of investigation would be different in the two cases, i.e. disarmament clauses of Treaty of Versailles in one and general disarmament clause in the other, yet methods to be applied to both if applied at all must be identical. For this reason he had strict instructions to prevent sub-committee adopting view that any system of investigation similar to that adopted by Council was technically unworkable. He assured me that French government would be prepared to accept for themselves League scheme of investigation provided others did so. If preparatory commission rejected the idea of supervision the Germans once in the Council would be encouraged to claim that application to themselves of League scheme was incompatible with their new international position.

British delegation have throughout the present discussion on supervision strictly followed instructions and consequently opposed French. We have in conjunction with Italians and Americans, Japanese, Swedes and Chileans put in minority report on proposal to set up permanent body to prepare reports on military information supplied as at present to Secretary³ (see my despatch No. 22 L.N.C.C.).⁴ In this report signatories to draft convention proposed that although experts could not produce useful results without verifying their information on the spot and declared that they could not accept for their own governments anything in the nature of an itinerant inquisition; where we have agreed texts analysing alternative methods of enquiry we have insisted on insertion of qualifying paragraph to whole chapter to the following effect: 'any conclusions reached can be valid only as technical considerations and do not indicate any adherence to principles underlying methods referred to'.

I feel bound however to draw attention to fresh difficulties that may be encountered later on in getting Germans to accept in good faith League scheme of investigation if preparatory commission categorically affirm that retention of supervision by enquiry is neither politically desirable nor technically practicable.

² See No. 11, note 6. ³ The Secretariat of the League of Nations. ⁴ No. 148.

No. 162

Sir A. Chamberlain to Viscount D'Abernon (Berlin)

Nos. 98 and 99 Telegraphic [W 7296/223/98]

FOREIGN OFFICE, *August 19, 1926, 9 p.m.*

German government appear to be disturbed by wholly unwarranted suspicions. Though I am strongly opposed in principle to His Majesty's Government defining too rigidly their attitude before going to a meeting where discussion must take place with other governments and where final decision can probably only be reached by mutual adjustment, I think only way to dispel these suspicions is to take German government into our confidence and tell them frankly what is in our mind.

His Majesty's Government were prepared to accept recommendations of committee on composition of the Council,¹ which were in fact based on British proposals. For their part they desire to change them as little as is necessary in order to make them easily workable and to secure general acceptance of them. But we must realise—and the German government must realise too—that the feelings of other governments must also be consulted. As the German government are aware, the Spanish and Polish governments have demanded certain modifications, and other governments, after four months' reflection, may also have amendments to suggest. We have said frankly that we cannot support any claim to a permanent seat except Germany's and of all the modifications which have been suggested to us there are at present only two which we think would improve the scheme. These are (1) the omission of rule 3 in the committee's report, and (2) the principle that declarations of re-eligibility may be made by the Assembly, if it should so desire at the election next month, instead of waiting till September 1927. In regard to this latter point, I may say that this is in fact in accord with the original British proposals, which were altered at the instance of the Belgian delegation for reasons which in my opinion carry no very great weight and do not affect the essential principles of the scheme. I do not know how the German government would regard the concession under point (1), but I do not see any reason why they should object. The rule would certainly not conduce to the efficient and judicial working of the Council in times of crisis and in any case it does not apply to those who have permanent seats. As regards point (2), this has been strongly pressed upon me from several quarters. It really simplifies the procedure and settles the question now instead of leaving it open for future dispute. Poland hopes to be elected next month *and* at the same time to be declared re-eligible, being enabled thus to represent immediately to her public that, though all hope of a permanent seat is lost, she has obtained the next best thing. Germany gets her way in excluding all other claimants from permanent seats and I should regard opposition by her to these suggested modifications as very unreasonable. They may possibly help us to retain Spain as well as giving some consolation to Poland. Spain takes strong exception to article 3 which is in fact no longer necessary and she would also require immediate declaration of re-eligibility if she decided to stay on. Germany, if all goes well, will have attained all that she requires, before either comes up for election.

I trust therefore that the German government would be prepared to fall in with these two modifications, if they have to be made. I do not say that they will be made; I only warn German government that they may be necessary, and I do so in order that the German government may be fully aware of what is passing, and because I believe that it is only by an entirely frank interchange of views that we can work together effectively to achieve what we all desire. The German government will of course be able to put their views to the committee through their own representative.

You may read this telegram to Minister for Foreign Affairs, or give him

¹ See No. 114, note 1.

substance as you think best. Gist of it has already been communicated to German Chargé d'Affaires here.

Confidential

What is Germany's attitude towards Spain? I hear frequently of German assurances given to Spain. What do they amount to? We have sacrificed our support of Spain to Germany's interests. Is Germany playing false behind our backs. I hear she tells Spain that she is not opposed to Spain having a permanent seat.²

Addressed to Berlin, repeated to Paris No. 225 By Bag.

² In Berlin telegram No. 211 of August 20 Lord D'Abernon stated in reply to the questions in this paragraph that he gathered that 'German official assurances to Spain have been cordial but vague' and that the German Government had 'declined to answer any hypothetical questions as to what they would do after their election'.

No. 163

Sir A. Chamberlain to the Marquess of Crewe (Paris)

No. 2365 [C 8976/269/18]

FOREIGN OFFICE, August 19, 1926

My Lord Marquess,

I have received your despatch No. 1520¹ (85/134/1926) of the 12th August enclosing a copy of a note by the French Delegation to the Ambassadors' Conference wherein attention is drawn to an alleged violation of the demilitarised Rhineland zone by three companies of German troops and it is suggested that representations on the subject should be made by the Conference to the German Government.

2. I request that in reply to this proposal you will state that His Majesty's Government deprecate the present tendency to make formal representations to the German Government on one point after another at a time when the Foreign Ministers of all the Powers concerned are so shortly about to meet. His Majesty's Government for their part feel that if representations are to be made in the present instance, it would be better to make them verbally to Doctor Stresemann at Geneva. Nevertheless they recognise that, if the facts are as the French Government allege, there has been a violation of article 43² and they are therefore prepared to join in written representations to the German Government, provided that the note is tactfully worded and does not give the impression that the German Government are guilty of a deliberate breach of their obligations. It is observed that the French Government are of the opinion that the infraction of the treaty may have been unknown to the German Government themselves.

3. His Majesty's Government would accordingly suggest that the note should be drafted on the following lines:—

¹ Not printed. For the incident in question see No. 133, note 2.

² Of the Treaty of Versailles.

After pointing out the breach of article 43, it should continue that the allied governments prefer to think that the violation was due to the ignorance or inadvertence of the officer in command of the detachment, who took his troops by the shortest way, without thinking whether the line was within the demilitarised zone. The ex-allied governments do not propose to take any further steps in regard to this particular incident, but they feel that it is necessary to call attention to it so that similar incidents may be avoided in future.³

I am, &c.,
(For the Secretary of State)
MILES W. LAMPSON

³ In Paris despatch No. 1786 of September 23 Mr. Phipps transmitted a copy of the note sent on September 4 by the Conference of Ambassadors to the German Ambassador at Paris. This note stated in particular that the Conference 'ne veut pas mettre en doute que cette infraction à une disposition essentielle du Traité a été commise à l'insu du Gouvernement allemand et que l'initiative d'autorités subalternes en est seule responsable. Elle serait heureuse, cependant, de recevoir l'assurance que toutes les dispositions utiles sont prises pour que de pareils incidents ne puissent se renouveler et pour que les autorités militaires soient rappelées à la strict observation des dispositions de l'article 43.'

No. 164

Sir A. Chamberlain to Viscount D'Abernon (Berlin)

No. 1076 [N 3836/53/38]

Very secret

FOREIGN OFFICE, August 19, 1926

My Lord,

I have received information from a very secret source¹ which implies that a section of the communist party of the Soviet Union, headed by Trotsky and Bukharin,² may be negotiating with the German Ambassador in Berlin³ and certain German politicians in order to bring about a modification, if not the overthrow, of the present Soviet administration.

¹ The report in question is untraced in Foreign Office archives. According to a minute of August 17 by Mr. Gascoigne of the Northern Department of the Foreign Office, the chief points of interest in addition to that recorded below were: '(a) The admission by comrade Kuibishev [President of the Supreme Economic Council of the U.S.S.R.] that in order to deal with the present industrial chaos a loan is essential. (b) Comrade Kuibishev's admission of serious danger of a counter-revolution promoted, not by forces outside the country but by internal dissension and fractionism. (c) Zinoviev's remarks in regard to the Government's increasing isolation from the masses and his admissions in regard to the internal industrial conditions of Russia. (d) Dzerzhinski's reference to a feeling of "panic" among certain communist circles and their desire to conform with the policy of other European States. His references to the "criminal scum" in the party and the formation of secret cells are also noteworthy.' Mr. Gascoigne added: 'This report reveals the extremely unsatisfactory condition obtaining in the communist party of to-day and proves that the information which we have received from Sir R. Hodgson and other sources is correct.'

² A member of the Political Bureau of the Central Executive Committee of the Communist party of the U.S.S.R.

³ The reference was to Count Brockdorff-Rantzau, German Ambassador at Moscow.

2. Whilst realising that it may be a matter of extreme difficulty if not actually impossible to check its accuracy, I shall be glad if you will inform me whether you can supply any confirmation of this report. You will, of course, exercise the most extreme circumspection in any enquiries you may feel able to make.⁴

I am, &c.,
(for the Secretary of State)
MICHAEL PALAIRET

⁴ No reply to this despatch has been traced in Foreign Office archives.

No. 165

The Marquess of Crewe (Paris) to Sir A. Chamberlain
(Received August 21, 8.30 a.m.)

No. 339 Telegraphic: by bag [C 9260/71/18]

Confidential

PARIS, August 20, 1926

Mr. Phipps enquired of Monsieur Briand to-day whether he was on the whole satisfied with the prospects of the approaching meeting at Geneva and the entry of Germany into the League of Nations. Monsieur Briand replied that although the Germans had particularly big feet which they were always careful not to put down anywhere else but on their partners toes, they, or at least the German Government, had shown a certain appreciation of the numerous concessions which had been made to them lately by the allies, such, for instance, as the appointment of the German Reichskommissar, the repeal of certain ordinances, the reduction of troops, etc., and he therefore seemed to envisage the Geneva meeting with healthy optimism. Indeed he told Mr. Phipps that he was determined to proceed gradually to a further reduction of troops, and even to a curtailment in due course of the periods of occupation. But in this respect he pointed out that the Germans, by their clumsy behaviour and by such foolish incidents as that of Germersheim, had rendered his task much more difficult.

2. Monsieur Briand complained that the Germans wanted in every sphere to move too quickly, and they were at present actively pursuing their ends at one and the same time with a view to a revision of the Danzig Corridor, the 'Anschluss', and to regaining Eupen and Malmédy. On the last named subject Monsieur Briand was most outspoken, far more so indeed than on any of the others, for in regard to them it was the moment chosen and the haste displayed by, rather than the intentions of the German Government, which seemed to incur Monsieur Briand's disapproval. The suggested cession of Eupen and Malmédy, however, appeared most distasteful to him, chiefly, so far as Mr. Phipps was able to gather, owing to the likelihood of intensive German penetration of Belgium which would be likely to result therefrom. Finally, Monsieur Briand described as highly illogical Germany's proposals

to buy back Eupen and Malmédy just when she was seeking to obtain a revision in her favour of the Dawes annuities.

3. Monsieur Briand pointed out, and deprecated, the great efforts which Germany was now making in the direction of economic penetration in Belgium, Holland, Scandinavia and the Baltic Provinces, and observed that this was not calculated to suit the book of either Great Britain or France.

No. 166

Record by Mr. Gregory of a conversation with Herr Dufour-Feronce
[W 8166/223/98]

FOREIGN OFFICE, August 20, 1926

The German Chargé d'Affaires came to see me this morning to tell me of the views of his Government on the communication which I had made to him on Wednesday¹ with regard to the sort of amendments we were thinking might be desirable or useful in the redrafting of the report of the Committee for the Composition of the Council.

Herr Dufour said that his Government welcomed the fact that we had thought fit to exchange ideas with them in this matter. At the same time they were somewhat concerned by the line we appeared to be contemplating, particularly in regard to the proposition to make reeligibility possible this year. The Committee had made the idea of rotation the basis of its Report and the only reason why it had made an exception in allowing for the re-election of certain States on the expiration of their mandates was that it might be in the particular interest of the League to let them continue. But this could only become evident on the expiration of the first period and could not be determined three years beforehand, as Poland would like. If we were, at the beginning of the mandates, to come to a definite decision as regards reeligibility, it would be perfectly obvious that our action would not be determined by pure regard for League interests, but would simply be a regulation designed for the sole purpose of 'paying Poland a compliment'. The German Government were not at all prepared to agree to this, and moreover, if Poland would only reflect, she would see that even she would not gain by it. For, if she were now, in 1926, to be elected as a non-permanent member for three years and if at the same time it were decided that she was reeligible on the expiration of that term, even so she would have no guarantee that she would be actually elected. This had been very explicitly discussed at the May meeting, but had been ruled out at the time as being impracticable.

On the question of dropping article 3 of the Committee's report the German Govt. did not see that anything was to be gained by its omission. The Committee had inserted it as the result of very careful consideration. It

¹ August 18, 1926: the communication was evidently that referred to in the penultimate paragraph of No. 162.

afforded the best means of preventing a refractory member of the Council from acting as one of them had done in March last in vetoing a decision on which all the other members of the Council were agreed. It was most necessary to have a clause which would enable the Assembly to withdraw a mandate, where the general interests of the League required it, before its term ran out.

I said that it was of course a little disappointing to find that the German Government did not see straight away eye to eye with us, but I hoped that these were only first impressions and I couldn't help feeling that any divergences of opinion were capable of being cleared up as soon as the questions came to be technically and formally discussed at the Committee. Meanwhile I could only say that, in regard to both the points the German Government seemed to be thinking under a certain misapprehension. As to (i) they appeared first to be assuming that a declaration of reeligibility was equivalent to the certainty of reelection, and then the next moment they enquire what is the good of a declaration of reeligibility without a guarantee of reelection. There was, moreover, I said, no question exactly of 'paying a compliment to Poland'. Other Powers, notably Spain, were involved: and it was essentially to the interest of the League itself, of Germany and of ourselves to see that both Spain and Poland received sympathetic treatment compatible with the maintenance of the principles involved in the Committee's Report. To this Herr Dufour assented.

On point (ii), also, it had been, I thought, widely recognised that the maintenance of article 3 of the Report was unnecessary. The rights of the Assembly were amply safeguarded without it, and, if a number of Powers were disposed to get rid of article 3, it seemed surely better to let it go.

However, I told M. Dufour, this was not really an opportunity for doing more than touch on these points, but I must repeat that I trusted it would be possible for all the delegates on the Committee to adjust without friction any differences which they might at this moment feel important. Herr Dufour said he did not see why there should be any friction and did not think there would be.

J. D. G.

No. 167

Sir A. Chamberlain to Mr. Seeds¹

Unnumbered [C 8933/391/90]

FOREIGN OFFICE, August 20, 1926

Sir,

It is desirable that on proceeding to take up your duties as His Majesty's Minister at Durazzo you should be aware of the salient features of the situa-

¹ Mr. Seeds had been appointed H.M. Minister at Durazzo. In a letter of August 27 Mr. Howard Smith suggested that he should call at the Foreign Office to read this despatch before his departure for Albania.

tion in Albania and of the considerations upon which the policy of His Majesty's Government in regard to that country is based. The following paragraphs are intended for your information and guidance.

2. Italy at the end of the war was in occupation of the whole of Albania. Her interest in the country was then recognised by the Powers to the extent that she was actually offered a mandate. This, however, she declined, but subsequently obtained recognition of her special interests in the resolution of the Ambassadors' Conference of the 9th November, 1921, of which a copy is annexed.² Yugoslavia regards the policy enshrined in the resolution with profound misgiving. She fears that Italy wishes to avail herself of Albanian weakness to obtain a foothold on the opposite shore of the Adriatic and to use her position there as a base against Yugoslavia and to dominate the Balkans. The existence of the Italian enclave at Zara no doubt strengthens her misgivings.

3. It is well to recall that His Majesty's Government agreed with reluctance to the signature of the resolution of the 9th November, 1921, and, indeed, only did so at all owing to the obstinate refusal of the Italian Government to allow the Ambassadors' Conference to proceed with the determination of the frontiers of Albania until recognition had been given to the alleged special interests of Italy in that country. The resolution as finally adopted represented a substantial reduction of the original Italian claim, and, in the view of His Majesty's Government, its scope is strictly limited to what it actually says. It contemplates Italian intervention in Albania in the sole event of foreign invasion and for the single purpose of the restoration of her frontiers. It could not be taken to justify on the part of Italy a prolonged occupation after the frontiers have been restored or to involve recognition by the signatories of any special right of intervention by Italy in Albanian affairs in normal times or without a mandate from the League. For a fuller discussion of the implications of the resolution of the 9th November, 1921, I would invite your attention to my despatch to Mr. O'Reilly, No. 144 of the 16th July last (South-Eastern Europe, Confidential Print, the 16th July, Section 1).³ Now we know that the Italian Government attach a far wider interpretation to the resolution than the text in our view justifies, and that they are seeking to reassert their original claim to that exclusive right of general supervision over Albanian affairs which His Majesty's Government previously rejected. In the memorandum⁴ handed to me on the 29th July by the Italian Ambassador, of which a copy has already gone to His Majesty's Legation at Durazzo, the resolution is declared to be the basis of Italian policy in Albania. Significant reference is made to the preponderance of Italian interests on the Albanian shore of the Adriatic, to the legitimate develop-

² Not here printed: see No. 69, note 5.

³ Not printed. In this despatch Sir A. Chamberlain emphasized in particular that 'as Albania is not a party to the agreement, it cannot affect her rights as a member of the League, nor would it appear that it can confer on the Council any powers, which it does not already possess under the Covenant'.

⁴ See No. 118, note 1.

ment of Italian activity there in view of its proximity, to the pressure of population in Italy, and to the programme of economic penetration already in full swing. Finally, a distinction is apparently drawn between the Adriatic and the Mediterranean, and the claim is implied that Italy, as the predominant Power, is entitled, independently of the other littoral States, to exercise a control over the freedom of naval movement in the former sea. I have felt constrained to reply to this memorandum at some length, and you will find my views contained in a note⁵ addressed to Marquis della Torretta, of which a copy will also be forwarded to His Majesty's Legation at Durazzo.

4. Both Italy and Jugoslavia have expressed their determination to uphold Albanian independence, and by the Pact of Rome of the 27th January, 1924, have undertaken to act in concert where their joint interests are concerned. It is, moreover, doubtful whether, as things are at present, either is anxious for actual territorial possession of Albania, though on that it would be unwise to be too positive, and the pretensions in the Italian memorandum referred to in the preceding paragraph give support to the belief that they aim ultimately at the possession of the port of Valona, the acquisition of which would give Italy undisputed command of the Adriatic Sea. But it is certain that neither wishes to see the other established there. In these circumstances, Albanian independence represents something of a compromise between conflicting interests. Unfortunately, this compromise is perpetually endangered by the political and economic weakness of Albania herself. Revolutions are chronic: the country itself has few economic resources; her political leaders, though using the façade of democratic institutions, are no more than feudal chieftains or their puppets.

5. Italy has therefore embarked on a policy of economic penetration. She has secured a bank concession which places Albanian finances in Italian hands, and she has now put forward a proposal for a pact. It is her evident intention to secure such a hold on Albania by means of concessions that, without actually annexing the country, her influence in it will be omnipotent.

6. The Albanians, for their part, distrust and dislike the Italians; and Ahmed Bey, the President of the Republic, endeavours to play off one of his neighbours against the other; by thus steering a middle course, he hopes to avoid committing his country either to Jugoslavia or to Italy. Italian economic absorption is the immediate danger, and, in order to escape the toils of Italy, he has been in the habit of continually applying to His Majesty's Legation for advice. At Yugoslav instigation, he has now put forward to Italy the idea of merging the Italian proposal for a purely Italo-Albanian pact into a series of pacts between Albania and all her neighbours.

7. The Albanian distrust of the Serbs is not at the moment so strong. It is true that in the past the Albanians have suffered from Serbian incursions, but in the north of the country contact with the Serbs is maintained and feeling against them is lessening. Moreover, we must always remember that Ahmed owes his return to power mainly to Serb support. As to Serbia herself, she is undoubtedly very suspicious of Italy, though unlikely to try

⁵ No. 157.

conclusions with her unless driven very hard. But should Italy endeavour to establish herself upon Albanian territory, the probability is that a very serious situation would arise. Be it always remembered that the very terms of the Ambassadors' resolution of the 9th November, 1921, appear in Serbian eyes to be aimed against Serbian intervention in Albania, for it is difficult to see what other country, with the one exception of Greece, could violate Albanian independence. The Serb-Croat-Slovene Government, therefore, feel that this resolution was directed against them, and therefore they naturally resent any attempt by Italy to found upon it any claim to a special position in Albania.

8. The foregoing paragraphs will have made clear to you the peculiar difficulties which surround the Albanian State. She is weak; her administration is notoriously corrupt; her people are divided. Her ruler, Ahmed Bey, is, through fear of assassination, practically a prisoner in his palace, and in his endeavour to steer a middle course between Italy and Serbia is not particular as to his methods. It is his constant endeavour to obtain the support of His Majesty's Government against Italy, and he would appear to have been unscrupulous in his use of the British Minister's name when he desired an excuse for refusing an Italian demand. Italy is working for control of the country in fact if not in name; Serbia is on the alert, content to remain quiet until she thinks her interests in the Adriatic are threatened, but determined not to allow Italy to obtain control of that sea. I am in hopes that the note which I have addressed to Marquis della Torretta will have the effect of warning M. Mussolini of the rocks ahead. I have endeavoured therein to make the policy of His Majesty's Government perfectly clear. To put it in a word, His Majesty's Government feel that, in the interests of European peace, Albania must continue as an independent State, and that no one Power should lay claim to so predominant a position there as to provoke a conflict which might well endanger the peace of Europe. At the same time, I have recognised, as was only reasonable, that Italy's proximity to Albania and the part which she has taken in the country from its establishment as an independent State in 1913, do give her special interests which His Majesty's Government would do wrong to thwart, provided her aspirations are kept within proper bounds. The whole political situation in the Balkans is poised upon so delicate a balance that the slightest undue stress here or there may at any time upset the machine and lead to complications of the most far-reaching and gravest kind. The interest and aim of His Majesty's Government is to avoid the creation of a situation tending to lead to such a catastrophe. This is a legitimate and sane policy, which His Majesty's Government have consistently followed and which they feel the more justified in view of the manifest dangers to which the position of Albania may give rise. It is a policy which implies that, although His Majesty's Government have themselves few, if any, direct interests in Albania, yet circumstances may arise in which it may be necessary for them to assert their position, both as one of the Powers who created the Albanian State and as a member of the League of Nations.

9. I have endeavoured to make it plain that I do not desire you either to question, or to interfere in, Italian activities in Albania as long as they conform with her legitimate aspirations. It is not easy to define the word 'legitimate' in this connection, but I believe that my meaning will be clear to you from the earlier part of this despatch. Italy is clearly entitled to secure concessions from the Albanian Government and to seek outlets in Albania for her trade and surplus population in the normal way, but once she endeavours to interfere with the internal government of the country or to work for sovereign possession of any part of its territory, she will be creating the very danger which His Majesty's Government are so anxious to avoid—a conflict with a third Power and the possibility of war. It is impossible to state in advance the exact point where Italy's aspirations in Albania may cease to be 'legitimate.' Much, if not everything, must depend upon the conditions of the moment and of the particular case at issue. It may even be that a certain set of circumstances may arise which may seem to you to call for action on the part of His Majesty's representative, whereas other circumstances outside your purview may render such action undesirable. I must therefore impress upon you the need for the greatest circumspection, especially in regard to any advances or suggestions made to you by Ahmed Bey. I am fully conscious that the position of His Majesty's Minister at Durazzo is in present circumstances one of peculiar difficulty; I am all the more anxious, therefore, to assure you that I shall always be ready to give my most careful consideration to any representations which you make to me; and should you ever be in any doubt whether any action which you contemplate taking conforms with the general policy of His Majesty's Government, I beg that you will inform me by telegraph and seek instructions. The time occupied in communicating with the Foreign Office from Durazzo by despatch is so considerable that you should have no hesitation in using the telegraph whenever you consider it desirable. You may rely upon receiving my considered opinion upon any point which you may think well to submit to me, and it will be my constant endeavour to assist you in the execution of the task entrusted to you, which I recognise to be one of exceptional difficulty and delicacy, but which I am confident you will carry out to the complete satisfaction of His Majesty's Government.

I am, &c.,
AUSTEN CHAMBERLAIN

Sir G. Grahame (Brussels) to Sir A. Chamberlain (Received August 23)

No. 804 [W 7861/1730/4]

BRUSSELS, August 21, 1926

Sir,

I have the honour to state that this morning, in my absence, M. Vander-velde sent for the Counsellor of this Embassy¹ and read and handed to him a confidential Note Verbale of which I enclose a copy.²

2. The Note Verbale contains an urgent appeal to His Majesty's Government in connection with the present serious financial position of this country. It outlines the measures already taken for financial reconstruction and points out that one problem lies immediately ahead which it is beyond the power of Belgium to settle without outside assistance, namely the reimbursement of forty-five million dollars of external floating debt. This sum constitutes the remainder of a loan of sixty-three million dollars raised by the last Belgian Government in Great Britain, the United States, Switzerland and Holland by means of short term bonds, and its repayment would represent the last stage in the financial policy of the Belgian Government to be achieved before they can proceed to stabilization. In this situation the Belgian Government found themselves faced with proposals put forward by M. Schacht, President of the Reichsbank for a loan in consideration of the return of the non-Walloon portions of the Eupen-Malmédy districts. These proposals are outlined in the Note which goes on to state that the French Government have announced very categorically in Brussels their strong objection to anything involving the modification of the territorial status quo confirmed by the Locarno Treaty, and their intention to veto any proposals of this kind which might be brought before the Council of the League. The Note states that the Belgian Government fully appreciate the international issues involved by the German proposal, and that these proposals have been put aside. (In this connection I would mention that 'Le Soir' of August 20 publishes a statement made to them yesterday by M. Jaspar to the effect that 'once for all, there have never been official dealings ("tractations") and I add that there never will be on the subject of Eupen-Malmédy'.) The Note then concludes with an urgent appeal for assistance from France and Great Britain to enable Belgium to repay the outstanding forty-five million dollars of foreign loan on the plea that if her allies raise strong objections to the money being found by the adoption of the German proposals it is right that they should advise Belgium as to some alternative solution. The Note concludes with a concrete suggestion, as follows:—

The four and a half per cent due to Belgium out of the Dawes annuities will in three years amount to a total of fifty million, eight hundred and two thousand dollars. If the Belgian Government were enabled to discount

¹ Mr. Knatchbull-Hugessen.

² Not printed.

these three annuities they would immediately have available the forty-five millions dollars necessary to extinguish the external floating debt. The Belgian Government call upon the French and British Governments to assist them to mobilize this credit, the proposed immediate advance of forty-five million dollars being repaid out of the Dawes annuities.

3. After reading the Note Verbale, M. Vandervelde added a few words to emphasize the very serious financial problem with which Belgium finds herself thus confronted, describing it as inextricable without foreign assistance. He appealed for sympathetic consideration.³

I have, &c.,

(for the Ambassador)

H. M. KNATCHBULL-HUGESSEN

³ This despatch was transmitted to the Treasury on August 26 under cover of a Foreign Office letter which stated in particular: 'In Sir Austen Chamberlain's opinion the acceptance of the proposal would certainly raise British prestige in Belgium and should lead to an increase of British trade with that country. If, as is probable, the French Government are unable to offer any assistance themselves, there would also ensue the additional advantage that Belgium would in the future become less dependent on France in matters of high policy.'

No. 169

Mr. Roberts (Geneva) to Sir A. Chamberlain (Received August 23)

No. 25 L.N.C.C. [W 7868/78/98]

GENEVA, August 21, 1926

Sir,

During the present week Sub-Committee 'A' has completed its report on the question of supervision. The minority report signed by the Americans, Italians, Japanese, Swedes, Chileans and ourselves has now been presented. It was based on a British draft subsequently modified by the Italian Delegation and is a reasoned statement of the objections advanced by the minority against the second suggested method of collecting and disposing of information supplied by Governments in regard to their armaments (see paragraph 3 of my despatch No. 22 L.N.C.C.¹—D.2., of August 13th). Briefly, it affirms that the proper application of this method would frequently lead to enquiries on the spot for the purpose of verifying the information supplied by Governments, that most unfortunate political and technical results would follow from such enquiries, and that the signatories could not accept anything of the kind for their own Governments.

2. On the question of Commissions of Enquiry to be set up under some scheme similar to that provided under the Statute of the International Labour Office (Articles 411–420 of the Treaty of Versailles), the Sub-Committee, by a majority vote, decided that, if such enquiries were undertaken, they must be as effective as the League scheme of investigation, otherwise

¹ No. 148.

they would do more harm than good, but that they would involve the possibility of military secrets of all kinds being disclosed. The British Delegation abstained from voting on this part, as they considered that the first part of this reply was outside the Sub-Committee's terms of reference.

3. On the question regarding the experience of supervision which has so far been acquired, a reply in the following terms was adopted:

'If the experience so far acquired regarding the supervision of disarmament is examined on the basis of the facts which have been disclosed in public documents, it may be affirmed that general supervision would, from the military point of view, be possible and effective on the condition that the States to which it applied fulfil all the obligations set forth in the Treaties which established this supervision'.

This self-evident proposition was drawn up by the French, Italians and ourselves and accepted without discussion by the Sub-Committee, the Germans, Americans, and representatives of countries which had not taken part in the war abstaining.

4. The tenacity with which the French have fought for the idea that technically, at any rate, it would be possible to supervise the manner in which States carry out the terms of a disarmament convention came as a surprise. As explained in Delegation telegram No. 150 L.N.² of August 19th, it is due to their anxiety lest any opposite conclusion arrived at here might impair the validity of the League scheme of investigation in Germany. It appears to show that they will rely largely in the future for keeping Germany disarmed on the publicity to be obtained from the reports of some international body of experts as to her possibly aggressive intentions as disclosed by the development of her armaments over a period of years.

5. The Naval Committee have now completed their reply to the Question 'Is it possible to attach military value to mercantile fleets in estimating the naval armaments of a country?' Their conclusion is that all mercantile fleets have a military value, but that neither their combatant nor their military value can be stated numerically. The French made a determined effort to carry a proposal to the effect that a mathematical factor might be applied to the total tonnage of certain mercantile vessels in determining the figure which should be added to the total tonnage of war fleets to represent the auxiliary value of these vessels. In the end, however, they were induced to abandon their proposal. The Committee also agreed that Article 14 of the Washington Naval Treaty (preparatory measures for converting merchant vessels into auxiliary cruisers) should be generally applied.³

6. Last week the Air Committee reached the conclusion that it is not at present possible to establish definite rules based on adequate grounds for differentiating between civil and military aircraft from the point of view of

² No. 161.

³ Foreign Office despatch No. 10 to Geneva of September 18 subsequently informed Lord Cecil of the Admiralty's strong opposition to a proposal to prohibit defensively armed merchant ships and to any discussion of maritime belligerent rights.

their possible utilisation for military purposes. This week they have consequently had to examine how the value of civil aircraft can be computed in estimating a country's air strength. Here again the French and Germans took up opposite standpoints. The French argued that the military value of civil aircraft was little, if at all, inferior to that of military aircraft. The Germans maintained that the military value of civil aircraft was very greatly exaggerated in the French paper. They further stated that this military value in large measure depended upon the numerical proportion existing between civil and military aeroplanes. On the question of personnel also the two Delegations were in violent opposition. Consistent efforts on the British side to induce each party to abandon its extreme attitude and get the Committee to present a report which is strictly impartial have at last been successful. The conclusion adopted is that the absolute military value of civil aircraft cannot be accurately determined, but all civil aircraft should be taken into consideration in estimating the total air strength of a country. Countries with large military forces are in a better position to make immediate use on the outbreak of war of their civil aircraft. The above should not, however, prejudice the question of limiting civil aircraft.

7. Next week Sub-Committee 'A' will examine the remainder of Question III (Methods of reduction and limitation).

8. The Secretary-General this morning informed the Sub-Committee that the Secretariat would be unable to provide for further meetings after September 9th. It has, therefore, been agreed that the Sub-Committee will adjourn on that date and re-assemble on September 27th, if it has not completed its report.

I have, &c.,
WALTER ROBERTS

No. 170

Foreign Office Memorandum on the International Status of the Grand Duchy of Luxemburg

[C 9506/112/18]*

FOREIGN OFFICE, August 21, 1926

I.—Request of Luxemburg for Participation in Locarno Treaties and for Guarantee of Neutrality.

On the 14th January last Lord Crewe reported¹ that M. Prum, the Minister of State for Luxemburg, had recently visited Paris and Brussels in order to suggest (a) that Luxemburg should be permitted to participate in the Locarno treaties, and (b) that France and Belgium should guarantee Luxemburg's neutrality. M. Prum's proposals had, however, according to Lord Crewe's informant, been so contradictory and vague that they had not been fully understood either by the French or Belgian Governments, who had returned equally non-committal replies to them.

¹ In Paris despatch No. 87.

2. During the League meeting in March the matter was broached with His Majesty's Government by the Prime Minister of Luxemburg, then in Geneva, who forwarded to the British delegation a note (Annex (A))² stating that the Luxemburg Government had under consideration the question of the participation of Luxemburg in the work of Locarno, and enquiring whether His Majesty's Government were prepared to enter upon an examination of the manner in which such an agreement might be reached between the Governments of Great Britain and of Luxemburg. The Secretary of State returned an interim reply, to the effect that he must postpone consideration of the question until after his return to London, when he would address a further communication to M. Prum.³ A second interim reply has since been sent to the Luxemburg Government stating that His Majesty's Government are studying the question.

3. The status of Luxemburg had already in the previous month (February) come up for consideration in the Foreign Office on another issue, and, as a result Sir C. Hurst, the Legal Adviser, was authorised to discuss the question with M. Fromageot, the Legal Adviser to the French Ministry for Foreign Affairs, whom he was about to meet in connection with other matters. Before recording their conclusions, it may be well to summarise the past and present status of Luxemburg and to consider the interests in the question of the various States involved.

II.—*Status of Luxemburg in the Past.*

4. By article 67 of the Congress Treaty of Vienna of 1815 (Annex (B))³ Luxemburg was united to Holland by a personal tie, the King of Holland becoming Grand Duke of Luxemburg. By the same article Luxemburg became a State, and a fortress, of the Germanic Confederation.

5. The underlying purpose of the provisions of the Treaty of Vienna was to erect a barrier against future French aggrandisement. In accordance with the same principle, Austria, Russia and Great Britain, by article 10 of the Protocol of Paris of the 3rd November, 1815 (Annex (C)),⁴ undertook to employ their best offices in order to obtain for the King of Prussia the right of garrisoning the fortress of Luxemburg, conjointly with the King of the Netherlands, as well as the right of nominating a Governor to that fortress. By articles 4 and 5 of the Prussian-Dutch Treaty of Frankfort of the 8th November, 1816 (Annex (D)),⁵ Prussia obtained the sole right to appoint the Governor, and the garrison was to be composed as to three-fourths of Prussian troops.

6. After the outbreak of the rebellion in the provinces of Holland whence the Kingdom of Belgium ultimately emerged as the result of the treaties of 1839,⁶ the territory of the Grand Duchy of Luxemburg was divided; part

² Not printed. For this Luxembourg note of March 17 and Sir A. Chamberlain's reply see Volume I, No. 385.

³ Not printed: see *British and Foreign State Papers*, vol. 2, p. 37.

⁴ Not printed: see *ibid.*, vol. 3, p. 238.

⁵ Not printed: see *op. cit.*, vol. 7, pp. 40–7.

⁶ See *op. cit.*, vol. 27, pp. 990–1003.

of it went to Belgium, and in return some territory was added to Holland in Limburg. The King of Holland continued to be the Grand Duke of Luxemburg, and the Grand Duchy, thus reduced, continued to form a part of the Germanic Confederation.

7. In 1867, after the war between Austria and Prussia, the Germanic Confederation was abolished and the status of Luxemburg was altered. By the Treaty of London of 1867 (see Annex (E))⁷ between Great Britain, Austria, Belgium, France, Italy, Prussia, Russia and the Netherlands, the Grand Duchy of Luxemburg, within the limits laid down in 1839, was made a perpetually neutral State under the *collective* guarantee of the signatory Powers with the exception of Belgium, which was itself a neutral State. By the same treaty the Prussian garrison disappeared, the fortress was dismantled and no military establishment was to be maintained in the territory except for the maintenance of order.

8. In 1890 the position of Luxemburg was still further changed in effect but not in law, as, by reason of the death of the old King of Holland, the Grand Duchy of Luxemburg ceased to be united to the Kingdom of the Netherlands. This left Luxemburg a small and impotent State, powerless to defend itself and with nothing to trust to but the collective guarantee of the Powers, deprived of the right to maintain or establish fortresses and able to maintain only a number of troops necessary to provide for the maintenance of order. At the same time, she had been a member of the German Zollverein⁸ since 1842, and her railways were under German management. As the population is largely German-speaking, she was thus, in fact, largely a client State of Germany.

9. This was the position of Luxemburg when the Great War broke out in 1914 and her neutrality was violated by Germany. On that occasion His Majesty's Government held that, as the guarantee they had given in 1867 was a collective one (not an individual one, as in the case of Belgium) they were not called upon to intervene in defence of Luxemburg's integrity. The arrangement of 1867 having thus broken down, one of the many questions which awaited solution after the war was its replacement by some new régime.

III.—*Treatment of Luxemburg at the Peace Conference.*

10. At the Peace Conference, His Majesty's Government strongly supported Belgium in her demand to be allowed to annex Luxemburg, or at any rate absorb her into some sort of union. It was felt that it was in the interest of His Majesty's Government to strengthen Belgium territorially; that the only way of doing so effectively and without violating either ethnographic or economic principles was to give her Luxemburg; that the latter, not being a practical national unit, its continued existence might, owing to its geographical situation, easily become a source of embarrassment. But for various reasons, shown in Mr. Headlam-Morley's memorandum of the 9th May, 1921,⁹ and more particularly owing to the opposition offered by the French Government, this policy came to nothing, and in the end all that was

⁷ Not printed: see *op. cit.*, vol. 57, pp. 32-35. ⁸ Customs union. ⁹ Not printed.

done was to insert article 40 in the Treaty of Versailles. The relevant passage of this article reads as follows:—

‘Germany . . .¹⁰, adheres to the termination of the régime of neutrality of the Grand Duchy, and accepts in advance all international arrangements which may be concluded by the Allied and Associated Powers relating to the Grand Duchy.’

It was thus clearly the intention of the Powers to terminate the neutrality of Luxemburg, and to conclude some new arrangement to take its place. No steps, however, have since been taken to clear the matter up by any further international act, and the 1867 settlement must therefore be considered as still technically in force.

IV.—*Entry of Luxemburg into the League of Nations.*

11. At the same time the position was modified in 1919 by Luxemburg’s application for membership of the League of Nations. In the original application she asked that she might preserve her neutrality under the guarantee of the League, but the League refused to recognise the status of neutrality as compatible with membership. This request was accordingly withdrawn and an undertaking given that the Luxemburg Constitution should be modified so as to bring the constitutional laws of the country into harmony with the obligations involved in admission to the League of Nations. Luxemburg was thereupon admitted to the League without opposition, but she has never yet altered article 1 of her Constitution, which provides that ‘The Grand Duchy of Luxemburg is an independent, indivisible, inalienable and perpetually neutral State.’

V.—*Present Status of Luxemburg.*

12. Thus the legal position to-day is full of paradoxes. Luxemburg is a member of the League of Nations, and the maintenance of her neutrality is contrary to the terms of admission. The Treaty of Versailles, on the other hand, did not by itself abolish or end the neutrality of Luxemburg; it merely committed the signatory Powers to the principle that that status should be terminated. The neutrality and guarantee treaty of 1867 must therefore be regarded as still in force. Assuming, as we must, that it requires some formal instrument to abrogate it (even though all parties to the Treaty of Versailles are committed to such abrogation, and though the treaty of 1867 is itself incompatible with Luxemburg’s membership of the League), it is clear that Luxemburg would have to be a party to any such instrument. She was a party to the treaty of 1867, which was signed by the King of Holland as Grand Duke of Luxemburg. Without Luxemburg’s concurrence it is not easy to see how the 1867 treaty could be abrogated. It contains no clause enabling the parties to it to denounce it, nor is there any stipulation as to the period for which the treaty shall endure. The mere abrogation of the treaty of 1867 would certainly leave Luxemburg in a worse

¹⁰ Punctuation as in original quotation.

position than she enjoys at present. The territory which she lost in 1839 cannot be restored to her, and, though she might well be given once more the right to fortify the town of Luxemburg, neither she nor any other State would be willing to see the foreign garrison which disappeared in 1867 reinstated.

VI.—*Desire of Luxemburg Government to replace present Status by some more effective Arrangement.*

13. The Luxemburg Government having now approached the British, French and Belgian Governments with a view to safeguarding Luxemburg's position, it is desirable to analyse as far as possible the probable standpoint of the various interested Governments towards the question.

14. The Luxemburg Government would clearly like to keep their neutrality, but, as that is incompatible with their membership of the League of Nations, they may be presumed to be seeking some *quid pro quo* in its place. This they may hope to obtain in the form of an effective and definitive guarantee by the Locarno Powers in the place of the abortive joint guarantee of 1867. Public opinion in Luxemburg, which was undecided immediately after the war, has recently grown in favour of independence under the present dynasty. A regularisation of Luxemburg's international position would consolidate the dynastic and independence party still further. No doubt, also, the Luxemburg Government feel that an effective guarantee would strengthen their hands against any attempt to force them into political dependence on either France or Belgium.

VII.—*Interests of Limitrophe States.*

15. As regards the French point of view, the absorption of Luxemburg has often been an object of French policy in the past, and there is no reason why the idea should not revive. At the same time, judging from the history of the last five years, the French Government may well have given up for the moment any idea of either political or economic union with Luxemburg. In 1920, after Belgium's claim to annex Luxemburg, a plebiscite was held in the Grand Duchy, to decide, among other things, whether an economic union should be negotiated with Belgium or France. The majority favoured France, but nevertheless the French Government let the matter drop. Indeed, they even allowed an economic union to be negotiated between Belgium and Luxemburg,¹¹ and this union (which came into force in July 1921) exists at the present time. It was said at the time that this renunciation on the part of the French Government was part of the bargain made with the Belgian Government in return for Belgian support in the occupation of Frankfurt in 1920.¹² On the other hand, for the last five years the French and Belgian Governments have been bringing continuous pressure to bear on the Luxemburg Government in order to obtain control of the Luxemburg

¹¹ See *op. cit.*, vol. 114, pp. 639-51.

¹² For the Franco-Belgian occupation of five German towns in 1920 see First Series, Volume IX, Chapters III and IV.

railways, which before the war were controlled by Germany. Last year a compromise was at last agreed upon whereby the control was to be divided between Belgium and France. This, however, broke down owing to the Luxemburg Parliament withholding its ratification. A *modus vivendi* was finally arrived at in November 1925—terminable at six months' notice—whereby the Luxemburg-Guillaume Railway is to be managed by the Alsace-Lorraine railway system. It is this Luxemburg-Guillaume Railway which, in the eyes of the French, is of particular strategic importance. Hence their anxiety to complete their control by making sure it will apply in war as well as in peace time. Thus they would certainly insist, in return for giving any guarantee to Luxemburg, upon having control of the railways in the case of a war in which Luxemburg would not, under article 16 of the Covenant of the League, be automatically obliged to allow the passage of French troops across her territory. The French Government, however, have hitherto shown no great interest in the guarantee question, and may well prefer to leave it open and to have a free hand in case of need.

16. In the case of Belgium, it has already been seen (paragraph 10) that the Belgian Government hoped at the end of the war to annex Luxemburg. In this they failed, but they succeeded some years later in obtaining an economic union. No suggestion of annexation is heard to-day either in Belgium or in Luxemburg; indeed, the effect of the economic union has rather been to estrange the two countries. Nevertheless, it may be reasonably supposed that the Belgian Government would welcome the ultimate conversion of the present economic union into some sort of political union with the Grand Duchy. If that estimate is correct, it follows that any effective guarantee by France, Great Britain or Germany to maintain the integrity of Luxemburg might be unpalatable to Belgium.

17. Germany would, of course, have to be a party to any effective guarantee. How the idea would appeal to her it is difficult to say. It seems hardly likely that she would welcome such an extension of her existing obligations, nor is it evident how it would be to her interest to do so.

VIII.—*British Interests.*

18. As to Great Britain, His Majesty's Government from the moment the Treaty of Versailles was signed abandoned the policy of encouraging the political union of Belgium and Luxemburg. Our object now is that the *status quo* laid down in the Treaty of Versailles shall not be called into question, and this principle applies more particularly in the neighbourhood of the Rhineland. That does not, however, necessarily mean that British interests require His Majesty's Government to give Luxemburg any special guarantee. She already possesses the general guarantee provided by the Covenant. At the present moment our obligation in respect of Luxemburg is of a twofold nature: in the first place, there is the general obligation devolving from article 10 of the Covenant, though exactly how article 10 of the Covenant would be applied is at least a matter of some doubt; and, secondly, there is the treaty of 1867 (assuming that it is still in force), which is merely a col-

lective guarantee in which Great Britain, Austria, France, Italy, the Netherlands, Germany and Russia all participate. That the 1867 treaty does not necessarily impose any material burden upon His Majesty's Government was proved in 1914. The Locarno guarantees are very different; they are not collective, but individual, and for His Majesty's Government to extend anything in the nature of the Locarno guarantee to the territory of Luxemburg would be to increase the British commitment and to tie their hands in the future, when it might be to their advantage to have them free. In these circumstances, extremely good reasons must be forthcoming to justify His Majesty's Government in assuming for an indefinite period more direct obligations in respect of Luxemburg's integrity than those already provided by the Covenant and the treaty of 1867.

19. The only reasons for the assumption of such an additional and definite obligation seem to be—

- (1.) An urgent appeal to His Majesty's Government by the other Locarno signatories to join them in regularising the status of Luxemburg, and thus round off the Locarno system, which is technically incomplete as long as Luxemburg is left as the one gap in the chain of guaranteed frontier between Germany and her western neighbours. No such appeal has yet been made, and, even if made, would not necessarily be acceded to.
- (2.) The argument that by assuming this definite obligation His Majesty's Government could obtain from Luxemburg the right to send troops through Luxemburg territory in those cases, not covered by article 16 of the Covenant, where under the Locarno Treaty His Majesty's Government will be involved in war either with France or Germany. This, however, is surely a matter of greater importance in practice to France than to this country, for by article 2, paragraph 3, of the Treaty of Locarno, France has the right of going to war with Germany under paragraph 7 of article 15 of the Covenant (*viz.*, to take arms in defence of Poland and Czechoslovakia in the event of their being attacked by Germany), whereas the guarantee given by this country would be unlikely to come into play except in cases where article 16 of the Covenant was applicable. In such cases Luxemburg would already be bound, as a member of the League, to allow the passage of troops through her territory, and no question would arise of getting any special permission. There is, however, another possible set of circumstances in which we might wish to take action without article 16 of the Covenant coming into play—that is (see article 4 of the Treaty of Locarno), where Germany had committed a breach of article[s] 42 or 43 of the Treaty of Versailles, but not actually invaded French territory. This would not necessarily amount to a resort to war in the sense of article 16 of the Covenant, which might not, therefore, apply and oblige Luxemburg to permit the passage of troops. The question therefore resolves itself into this: Do we, in order to

carry out that particular obligation under Locarno (article 4), need to ensure in advance the use of Luxemburg territory for the passage of our troops? This raises the purely military issue of how great a strategic importance attaches to the use of Luxemburg railways and territory in the case of a British expeditionary force sent to repel a violation of article 42 or 43 of the Treaty of Versailles.

20. Should military considerations be sufficiently strong to render necessary a further consideration of the political side of the question of Luxemburg's adhesion to the Treaty of Locarno, it may be of assistance to analyse more precisely what additional responsibilities and obligations His Majesty's Government would be assuming if they guaranteed Luxemburg's integrity. The Luxemburg Government, be it noted, have not so far made any concrete proposals as to what form of guarantee they have in mind. It seems on the face of it unlikely that they merely contemplate becoming parties to the Treaty of Locarno. They probably aim at much more than that, for by so doing they would only obtain a guarantee of their German frontier, which, owing to the demilitarised Rhineland already established by treaty and the arrangements made at Locarno, is already blanketed from German attack; no further guarantee on that side therefore seems required in practice. What they more probably have in mind is a guarantee against violation from *either* side—east or west.

21. Perhaps sufficient has already been said to show that this idea of including Luxemburg in the Locarno system has little politically to be said in its favour. But if it be decided on military grounds to proceed further and to study how in practice it could be actually carried out, we may perhaps take as a convenient basis for discussion the Hurst-Fromageot tentative scheme already referred to earlier in this paper (see paragraph 3).

IX.—*Hurst-Fromageot Scheme.*

22. This scheme runs as follows:—

- '(a) An engagement by the Principal Powers or by such or such Power (France, Belgium, Great Britain) to guarantee the territorial integrity of Luxemburg.
- '(b) An engagement by Luxemburg to allow the passage and quartering of troops on her territory when such troops are acting in conformity with the terms of Locarno.
- '(c) A declaration of inalienability of the territory of Luxemburg.'

23. Now as regards point (a), the guarantee here given to Luxemburg is more extensive than that to which we are committed as regards the Franco-German and Belgo-German frontiers by article 1 of the Locarno Pact, (1) in that it guarantees not only Luxemburg's German frontier, but also her French and Belgian frontiers; (2) in that whereas the guarantee of the French and Belgian frontiers in article 1 of the Locarno Agreement operates only when His Majesty's Government are obliged to intervene in defence of the Rhineland, the proposed guarantee of Luxemburg operates in

every case. (The question is dealt with in detail in a minute by Sir C. Hurst: see Annex (F)¹³). Further, a guarantee such as is suggested in the Hurst-Fromageot scheme by its very precision must clearly impose a greater obligation than does article 10 of the Covenant, the interpretation of which is still in doubt.

24. As regards (b), France clearly intends that this right of transit through Luxemburg shall be exercised, even in the case of a war when under Locarno Great Britain and/or Belgium is not called upon to intervene (as, for instance, under paragraph 7 of article 15 of the Covenant, i.e., 'legitimate' private war); in short, when article 16 of the Covenant does not apply. This may be a concession larger than the Luxemburg Government may wish to give. It commits them to a definite obligation beyond that already imposed on Luxemburg as a member of the League by article 16. Are we prepared to buy this right for France at the price of our guarantee of Luxemburg's territorial integrity?

25. As regards (c), it would surely be of doubtful wisdom to exact from Luxemburg an undertaking which would preclude the Luxemburg people from ever joining up with one or other of their neighbours if they later wanted to do so.

26. To complete this study of the arguments for and against the Luxemburg application, some comparison of the obligations and responsibilities of His Majesty's Government at present existing and those which would result from the Hurst-Fromageot scheme seems necessary:—

I. Let us first take the case when under the Locarno Treaty His Majesty's Government are *not* bound to intervene (i.e., paragraph 7 of article 15 of the Covenant):—

- (a) *Under present Conditions.*—Luxemburg could not be called upon to grant passage to French troops by the League of Nations, for article 16 of the Covenant would not apply. France, however, would in practice be almost certain to march her troops across Luxemburg territory, and at the end of the war the integrity and, indeed, existence of Luxemburg might be destroyed by the conqueror. The invasion of Luxemburg in such a case or a menace to her integrity might create an embarrassing international situation supposing Luxemburg appealed to the League in virtue of article 10 of the Covenant. The liberty of action of His Majesty's Government would not be fettered by any but their engagements under the Covenant.
- (b) *Under the Hurst-Fromageot Scheme.*—France, by Luxemburg consent, would have the right to march her troops across Luxemburg, and Luxemburg would have the right to appeal to His Majesty's Government to defend her integrity if at the end of the war the conquering State tried to annex her territory or infringe her sovereignty. In fact, His Majesty's Government might find themselves involved in war in defence of Luxemburg.

¹³ This minute of April 20 is not printed.

II. Let us now take the case when under the Locarno Treaty His Majesty's Government *do* have to intervene:—

- (a) *Under present Conditions.*—Our ally, whether Germany or France (but more particularly France for geographical reasons), would, on military grounds, almost certainly insist on moving their troops across Luxemburg territory. If the case were such that article 16¹⁴ was applicable, the Luxemburg Government could raise no objection by the express terms of article 16 itself. But there is the possibility (see paragraph 19 (2)) that our guarantee under the Locarno Treaty might come into play without article 16 being applicable. In such an event, we might find ourselves forced to condone what an arbitration tribunal would probably hold to be a violation of Luxemburg territory.
- (b) *Under the Hurst-Fromageot Scheme.*—Our conscience would be clear as Luxemburg would be bound to allow our troops to cross her territory whether article 16¹⁴ applied or not, and at the end of a victorious war¹⁵ the guarantee which both our ally and we would have given to Luxemburg would presumably act as a check to any attempt to annex Luxemburg. On the other hand, at the end of such a war it might conceivably be to our interests that Luxemburg should be annexed by one of our allies, in which case our hands would be bound by our guarantee.

27. The upshot of this analysis is that by entering into an arrangement on the basis of the Hurst-Fromageot scheme we should be exchanging our present indefinite commitments under article 10 of the Covenant for a precise undertaking, the fulfilment of which might well prove embarrassing and even dangerous. As such it seems difficult to justify to British public opinion unless our military authorities can make out a really convincing case for the military necessity of having permission in advance to send troops through Luxemburg¹⁶ in the one case where, so far as we are concerned, a violation of the Treaty of Locarno does not *ipso facto* involve the application of article 16 of the Covenant.

28. The general conclusion seems therefore to be this:—

- (a.) The present paradoxical status of Luxemburg inconveniences no one except perhaps the Luxemburg Government themselves. In any case, none of the Locarno Powers has shown any desire to change it.
- (b.) While His Majesty's Government might when the case arose be opposed to the absorption of Luxemburg by another Power, yet they would be ill-advised to bind themselves in advance (except in so far

¹⁴ Of the Covenant of the League of Nations.

¹⁵ *Note in original:* 'A war ending in defeat is not worth considering, as we should presumably be compelled to repudiate our guarantee.'

¹⁶ The Chief of the Imperial General Staff and the Chief of the Air Staff subsequently stated in an undated note that there was no such military necessity, especially as the required permission 'could apparently only be acquired by increasing our already considerable European commitments'.

as such obligation may result from article 10)¹⁴ to withstand by force of arms such absorption if it took place.

- (c.) His Majesty's Government might conceivably have an interest in guaranteeing Luxemburg's integrity (1) if His Majesty's Government's military advisers hold it to be essential that in order to implement our obligations under article 4 of the Locarno Treaty we should have a definite legal right to move British troops across Luxemburg territory, even in the case where article 16 of the Covenant is not applicable; and even in that case only if (2) the Luxemburg Government will not concede that right save in return for a guarantee of Luxemburg integrity.
- (d.) The Hurst-Fromageot scheme would appreciably increase His Majesty's Government's commitments; and might easily prove embarrassing and difficult to justify to British public opinion or to reconcile with the public interest.

No. 171

Record by Mr. Gregory of a conversation with Herr Dufour-Feronce
[W 7911/223/98]

FOREIGN OFFICE, August 23, 1926

Germany and the League

Herr Dufour called on me again this afternoon and I took the opportunity of saying how very much put out the Secretary of State had been on receiving my report of our conversation of the 20th instant.¹ He really despaired, I said, of any successful outcome of Geneva, unless the German Government showed some sign of give and take. They could not expect to have it all their own way. Everything had been done in their interest, and the way smoothed in every direction for their entry into the League. They simply therefore could not go to the Committee saying, 'We won't have this and we won't have that.' We ourselves were determined to preserve the essentials of the report, but other Powers had got to be considered also, and it was utterly unreasonable for Germany to adopt a wholly uncompromising attitude. If the German Government's attitude was directed against Poland, I could only remind them again that Poland had now no hope of getting a permanent seat, but that that being so, it was right and proper to try and secure for her the next best thing. I begged Herr Dufour therefore to send a telegram to his Government at once, making it perfectly clear how we felt towards the attitude they had adopted.

He said that he had already telegraphed in this sense after his conversation with me of the 20th, but he promised to telegraph again on the lines on which I had just spoken. He added, however, that he had meanwhile heard

¹ See No. 166.

from his Government in reply to the report of his conversation with me of the 20th, in which they said that they would not take a decision until after the discussions between M. Fromageot and Dr. Gaus—at which they very much regretted that Sir Cecil Hurst could not be present. I was disposed to gather from the manner in which Herr Dufour spoke of this latest telegram from his Government, that they were probably going to give way, but that they were not prepared to do so without a little more discussion. In this case their first reply to our proposals was a clumsy try-on, and we shall now probably not hear much more of it. Certainly Herr Dufour made no attempt to combat any of my arguments and seemed very anxious to bring the conversation to an end.

J. D. G.

I have received Lord d'Abernon's tel. No. 214 (attached)² just as the pouch is leaving. I think it confirms the impressions I have derived from the above conversation.

J. D. G.

² Not printed. This telegram of August 22 reported that Lord D'Abernon had acted on No. 162. Lord D'Abernon stated in particular that Dr. Stresemann and Herr von Schubert 'were anxious to facilitate solution. As regards omission of Article 3 I found them open to argument, but regarding re-eligibility there will be much more difficulty; they consider proposal illogical and as introducing political bias whereas in their opinion re-election should depend on services rendered to the League.'

No. 172

Viscount D'Abernon (Berlin) to Sir A. Chamberlain
(Received August 25, 9 a.m.)

No. 221 Telegraphic [W 7972/223/98]

Very confidential

BERLIN, August 24, 1926, 8.20 p.m.

My telegrams 218 to 220.¹

Fromageot appears well content with his conversations here and with draft as agreed.

Once a text was accepted by England France and Germany, he did not anticipate difficulty in Geneva except from Scialoja whose subtlety is such that he would pick holes in holy writ.²

As regards Poland and Spain he considers, speaking privately and confidentially, that they ought to be satisfied. If they were not satisfied nothing more could or should be done for them.

¹ Berlin telegrams Nos. 218 and 219, despatched subsequently to the present telegram, are printed as Nos. 173-4 respectively. Berlin telegram No. 220 is not preserved in Foreign Office archives. According to the docket this telegram stated that the draft in No. 174 was based on a text recently agreed with Sir C. Hurst.

² Mr. Wingfield, Counsellor in H.M. Embassy at Rome, stated in his telegram No. 193 of August 31 that Signor Mussolini had requested him to inform Sir A. Chamberlain that 'Italian delegates to League of Nations have instructions to do everything possible to ensure that Germany should obtain permanent seat on the Council'.

No. 173

Viscount D'Abernon (Berlin) to Sir A. Chamberlain
(Received August 25, 10.25 p.m.)

No. 218 Telegraphic [W 7957/223/98]

BERLIN, August 24, 1926, 8.26 p.m.

French Chargé d'Affaires has just been here with M. Fromageot.

They informed me that discussion between M. Fromageot and German representatives had led to agreement on text contained in my immediately following telegram.¹

Minister for Foreign Affairs had declared that, while the draft agreed upon was not ideal, he considered it acceptable as a compromise. Minister for Foreign Affairs was ready to support it with his colleagues and with President provided that he could assure them that English and French governments were prepared to give it their full assent and would do their best to carry it through. Provided also that committee on constitution of council which met on (? August 30th) accepted the project with only slight modifications of form.

French Chargé d'Affaires had replied to Minister for Foreign Affairs that he could not give these guarantees without instructions. Monsieur Fromageot would be in Paris Wednesday² afternoon at 4 p.m. and would see M. Briand at once. He therefore hoped that he would be able to give German government a reply on Thursday.³

It would be well that I should receive instructions at the same time.

¹ No. 174.

² August 25, 1926.

³ Lord Crewe reported in Paris telegram No. 342 of August 26 that M. Briand had informed the German Government that the text in No. 174 was satisfactory.

No. 174

Viscount D'Abernon (Berlin) to Sir A. Chamberlain
(Received August 25, 9 a.m.)

No. 219 Telegraphic [W 7971/223/98]

BERLIN, August 24, 1926, 8.26 p.m.

Following is text referred to in my immediately preceding telegram¹:—

Amendement au projet du comité sur la . . .² du conseil de la société des nations.

Paragraphe un. Sans modification.

Paragraphe deux. Un membre sortant ne pourra, pendant trois années à compter de l'expiration de son mandat, être ré-élu que:—

(un) Si lors de son élection, il a été, aux deux tiers au moins des votants, déclaré 'ré-éligible' sur le bulletin de vote le concernant; la qualification de

¹ No. 173.

² The text is here uncertain but should include 'composition'.

'ré-éligible' appartenant aux trois membres qui auront obtenu à cet égard le plus de voix en plus des deux tiers des votants; (deux) ou si à l'expiration de son mandat ou au cours de ces trois années l'assemblée statuant à la majorité des deux tiers en décide ainsi.

Dans tous les cas le nombre des membres ainsi ré-élus ne pourra pas dépasser le tiers du nombre total des membres non permanents siégeant au conseil.

(Alinéa deux du projet primitive [*sic*] est supprimé.)

Paragraphe trois. (supprimé).

Paragraphe quatre. Sans modification.

Paragraphe cinq. À titre transitoire et a fin que le système ci-dessus puisse entrer en vigueur il appartiendra au sort de désigner, à la fin de chacune des deux premières années, les trois membres non permanents dont le mandat prend fin.

(N.B. Lors de l'élection de 1926, la mention 'ré-éligible' pourra être portée sur les bulletins de vote concernant [*sic*] tous les membres nommés à cette élection votée,³ tous seront ainsi placés sur un pied d'égalité.

Ceux qui, par application du paragraphe cinq ci-dessus, sortiront du conseil au bout d'un an ou de deux ans ou (? naturellement) au bout de trois ans, et qui auraient été [*sic*] déclarés 'ré-éligibles' seront alors ré-éligibles.)

³ This word was not included in the text of this document transmitted in Berlin despatch No. 580 of August 25. There should be a full stop after 'élection'.

No. 175

Viscount D'Abernon (Berlin) to Sir A. Chamberlain
(Received August 25, 9 a.m.)

No. 222 Telegraphic [W 7970/223/98]

BERLIN, August 24, 1926, 9.5 p.m.

My immediately preceding telegrams.¹

I have had an interview with Secretary of State who was much less satisfied with modified draft agreement than Monsieur Fromageot.

He said that he still preferred original scheme of May but German government would accept new draft to prove their goodwill. He must, however, make it clear that Minister for Foreign Affairs could only get approval of Cabinet if he could say 'this is a compromise accepted by England, France and Germany. It is not a very beautiful compromise but it has this advantage that we go to Geneva on a joint platform with England and France and these powers will use their influence to get the scheme accepted'.

In my opinion if compromise is found acceptable, it would be desirable to signify acceptance with minimum of delay and clinch the bargain.

Addressed to Foreign Office No. 222, repeated to Paris No. 17.

¹ See Nos. 172-4.

Sir R. Hodgson (Moscow) to Sir A. Chamberlain (Received September 6)

No. 598 [N 4056/1687/38]

MOSCOW, August 24, 1926

Sir,

I have the honour to report that when calling upon Monsieur Litvinov to-day, I thought it convenient to touch upon the subject of the strike and the conduct of the Soviet Government and Soviet institutions in regard to it.

2. M. Litvinov began by suggesting that the strike, and events which had arisen out of it, must of necessity afford peculiar gratification to Mr. Winston Churchill who had been consistently an enemy of the Soviet Government and who saw in the strike a means of furthering his cherished aim of bringing about a rupture of the relations between the Soviet and British Governments. I replied that, as far as my knowledge went, he was mistaken—the members of the Cabinet unanimously approved the decision to maintain relations with the Soviet Government in spite of the fact that the latter had given ample pretext for breaking them off should such a course be judged convenient. I had not the slightest reason for believing that Mr. Churchill or any other member of the Cabinet had dissented from this decision.

3. I passed to the question of the despatch of funds at the time of the general strike. M. Litvinov took the familiar line that the action of the Soviet Government in permitting it constituted no offence: the trades unions, wishing to demonstrate their solidarity with their comrades in England, collected the funds among their members and the Commissariat for Finance sanctioned the remittance of them. In this there was nothing reprehensible, for no general prohibition of the export of funds was imposed by Soviet legislation. The Soviet authorities had a perfect right to allow whom they wished to send money abroad at their discretion and no one could dispute that right. I agreed that there was no general prohibition of the transfer of money abroad: it was permitted, but only with special sanction in each case—a distinction without a difference. And what was the criterion by which each application for permission to transfer was decided? The criterion was the effect that a transfer was likely to have on the currency situation of Soviet Russia. If economic advantage to the Union was to be apprehended, permission to remit was accorded: if not, it was rigorously refused. And this reasoning was in practice carried to extreme limits: the Soviet Government did without goods of which it stood in the most urgent need rather than prejudice the balance of its finances by the expenditure of money abroad. Yet, when it was a question of gross interference in other people's affairs, all these scruples vanished.

4. M. Litvinov demurred to this argument. The Russian trades unions had asked for permission to effect remittances under the regulations in force; permission had been granted and that was an end of the matter. I agreed—the Soviet Government were, formally, within their rights, but it was none

the less the case that they had outraged their own regulations so as to grant facilities to organisations in this country for sending abroad funds destined to be employed in a political dispute in a friendly country. Moreover, institutions such as the Moscow and Leningrad Soviets, which are integral parts of the Government of the Soviet Union, had brought pressure to bear upon persons and organisations under their control to contribute. M. Litvinov again objected: the Moscow and Leningrad Soviets had used no compulsion in the matter and the money sent was not for the purpose of intervention in a political dispute but merely to assist fellow workers in difficult times. The Russian workers desired to help the miners in England because they felt that the defeat of the strike would be a serious blow to labour all the world over: what happened to the miners to-day would happen to others to-morrow and labour, not only in England but on the continent, would feel the effects in time: sentiments of labour solidarity would not permit of the Russians remaining neutral in the conflict and the Soviet Government, being the Workers' Government, could not prevent them translating their sympathies into active help. I replied that the truth of my criticism as to the attitude of the Moscow and Leningrad Soviets could be demonstrated by the wording of their resolutions as published in the press; as for the fact that the political motive was uppermost in the organisation of financial assistance it was really unnecessary to argue this point, for the utterances of all the leaders in the movement, from Tomsy and Lozovsky¹ downwards, laboured it incessantly. The movement was part of a definite programme, laid down carefully ahead, which had as its ultimate objective the destruction of the present social order existing in England. The Soviet Government had aided and abetted in the execution of the programme.

5. Then there was the matter of our protest.² It took the form of a memorandum which was conspicuous by the mildness of its phraseology. The Soviet Government had declared repeatedly—M. Litvinov himself announced it not long ago at the session of the Central Executive Committee—that the Soviet Government were anxious to come to an understanding with Great Britain.³ The memorandum did nothing more than remind the Soviet Government of this fact and suggest that their actions since the strike had broken out in England were not calculated to assist in the attainment of the object which they said they had at heart. Yet this memorandum had been immediately seized upon as a threat, a meaning which it could not possibly convey had been given to it and it was treated from one end to the other of the Soviet Union as an ultimatum. And the population, through the press, was made to believe that Great Britain had declared her intention of breaking off relations with the Soviet Union unless a stop was put to the despatch of assistance to the miners. The misinterpretation must have been deliberate: yet it was used for the purpose of expanding agitation and increasing hostility

¹ A member of the Collegium of the All-Russian Council of Trade Unions and Secretary-General of the Red International of Trade Unions.

² See No. 52.

³ The reference was presumably to M. Litvinov's statement of April 24, 1926: cf. Jane Degras, *op. cit.*, vol. ii, p. 109.

towards Great Britain without anything being done to reduce matters to their true proportions. The Soviet Government took no action—they sinned in omission as they sinned in commission. M. Litvinov objected that at the time of the memorandum discussions were going on in the British Parliament regarding Anglo-Russian relations and certain Ministers were clamouring for a rupture: the fact that the memorandum was presented at a time when these demonstrations of enmity were in progress justified the interpretation which was given to the memorandum. I said that this view could not be sustained, inasmuch as the Government clearly and definitely stated at a very early time that, in spite of the fact that they had full justification, they did not intend to break off relations with Russia. There was thus no reason to regard the memorandum as anything but what it purported to be, namely a reminder that the actions of the Soviet Government were not such as to lead to an improvement in relations.⁴

I have, &c.,
R. M. HODGSON

⁴ For M. Litvinov's report of this conversation see *Dokumenty Vneshney Politiki S.S.S.R.*, vol. ix, No. 240.

No. 177

Viscount D'Abernon (Berlin) to Sir A. Chamberlain
(Received August 25, 8.45 p.m.)

No. 225 Telegraphic [C 9463/446/18]

BERLIN, August 25, 1926, 5.20 p.m.

In connection with different subjects recently discussed between Mr. Lampson and German Chargé d'Affaires, Minister for Foreign Affairs has very carefully . . .¹ whether reduction of British troops in Rhineland is desirable in the interests of pacification.

He holds that if His Majesty's Government reduce troops from 8,000 to 5,000 it would have a double advantage—first, to free buildings and to give more room for British forces. According to his information the area allotted to them was too cramped and this causes friction. Secondly, it would facilitate and set an example for similar reduction of French and Belgian troops.

Minister for Foreign Affairs would be opposed to total withdrawal of British forces.

If some announcement could be made before Geneva that a reduction of British troops was contemplated or under your examination it would aid Minister for Foreign Affairs in his policy and strengthen the forces behind Locarno.

¹ The text is here uncertain. It was suggested on the filed copy that 'considered' should be included.

No. 178

The Marquess of Crewe (Paris) to Sir A. Chamberlain (Received August 27)
No. 1612 [C 9473/436/18]

PARIS, August 26, 1926

His Majesty's representative at Paris presents his compliments to the Secretary of State for Foreign Affairs, and has the honour to transmit herewith copy of a despatch from the Ambassadors' Conference to the German Embassy, Paris, dated the 17th August, respecting the settlement of outstanding questions regarding German disarmament.

ENCLOSURE IN No. 178

CONFÉRENCE DES AMBASSADEURS

Secrétariat Général

No. 168

Copie

PARIS, le 17 Août 1926

Les renseignements reçus par les Gouvernements alliés sur l'état d'exécution des clauses militaires du Traité obligent la Conférence des Ambassadeurs à demander à l'Ambassade d'Allemagne d'attirer toute l'attention de son Gouvernement sur les préoccupations que lui cause la lenteur avec laquelle se poursuivent ces opérations.

Après que l'accord avait été réalisé le 16 Novembre 1925¹ sur le programme général des plus délicates des opérations restant à accomplir, la Conférence était en droit de penser que tout serait mis en œuvre par le Gouvernement allemand et que toutes instructions utiles seraient données par lui aux Autorités militaires pour que l'exécution des divers points encore en suspens fût menée avec la plus grande rapidité.

Les Gouvernements alliés regrettent de devoir constater que, dans un trop grand nombre de cas, des retards se sont produits que ne justifiait nullement la nature des opérations à réaliser.

En insistant de la manière la plus pressante pour qu'il soit remédié à cette situation et pour que les demandes présentées par la Commission de Contrôle reçoivent, sans retard, satisfaction, la Conférence des Ambassadeurs a la conviction de servir l'intérêt commun. Elle souhaite que le Gouvernement allemand s'en rende compte et que, comme elle en a déjà exprimé l'espoir, dans sa lettre du 16 Novembre 1925,² il s'emploie de tout son pouvoir à hâter la réalisation du programme sur lequel l'accord était alors intervenu.

¹ See Volume I, No. 106.

² Printed as item No. 5 in Cmd. 2527 of 1925.

The Marquess of Crewe (Paris) to Sir A. Chamberlain (Received August 27)
No. 1614 [C 9475/436/18]

PARIS, August 26, 1926

His Majesty's representative at Paris presents his compliments to the Secretary of State for Foreign Affairs, and has the honour to transmit herewith copy of a despatch from the Ambassadors' Conference to the German Embassy, Paris, dated the 17th August, respecting German military associations.¹

ENCLOSURE IN NO. 179

CONFÉRENCE DES AMBASSADEURS

Secrétariat Général

No. 169

Copie

PARIS, 17 Août 1926

Aux termes de l'accord intervenu entre la Conférence des Ambassadeurs et le Gouvernement allemand à la date du 16 Novembre 1925 et conformément à l'Annexe IV à la Note de l'Ambassade d'Allemagne du 11 [sic ? 13] Novembre 1925,² visée par le chiffre 4 de l'accord précité, il avait été stipulé qu'un décret, dont le texte avait été préalablement approuvé par les Gouvernements alliés, serait édicté par le Gouvernement allemand en vue de mettre fin à l'activité militaire de certaines associations allemandes.

Ce décret a, en effet, été promulgué le 12 Février dernier. Or, des renseignements de toute nature recueillis par la Conférence, (informations de presse, déclarations au Landtag de Prusse ou au Reichstag), ne permettent pas de douter que, en dépit des dispositions formelles ainsi mises en vigueur, rien n'a été changé dans l'attitude des nombreuses associations qui continuent leur œuvre de préparation militaire, qui disposent d'armes et qui entretiennent des relations avec des autorités du Ministère de la Reichswehr. Tel est le cas du Stahlhelm, de l'Association dite Wehrwolf, etc. . . .³ et, si quelques associations d'importance secondaire ont été dissoutes, elles paraissent l'avoir été pour des raisons de politique intérieure, sans égard à leur caractère militaire.

La Conférence des Ambassadeurs a même été informée que le décret du 24 Mai 1921 ne peut pas avoir été abrogé; or, ce décret permet à des associations de caractère militaire de subsister si elles sont autorisées par certaines autorités d'ailleurs non définies. Enfin, malgré les nombreuses demandes adressées à ce sujet au Gouvernement allemand, la Commission Militaire Interalliée de Contrôle n'a pas encore connaissance des mesures

¹ Lord Crewe had been informed in Foreign Office telegram No. 217 to Paris of August 16 that he might agree to the text of this note.

² See Volume I, No. 100, enclosure 4.

³ Punctuation as in original.

qui auraient dû être prises par les différents états allemands en vue d'assurer la mise en vigueur du décret du 12 Février 1926.

Ce sont là des constatations dont la gravité n'a pas besoin d'être soulignée et sur lesquelles la Conférence prie l'Ambassade d'Allemagne d'attirer toute l'attention du Gouvernement allemand qui voudra certainement prendre les mesures que la situation comporte en usant des droits que le décret du 12 Février 1926 lui confère.

L'abrogation du décret du 24 Mai 1921, décret incompatible avec l'application loyale de celui du 12 Février 1926, est une de ces mesures. Il appartient, d'autre part, aux différents états allemands d'assurer la mise en vigueur du décret du 12 Février 1926 précité. La Conférence compte donc que le Gouvernement allemand fera connaître aussitôt que possible à la Commission Militaire Interalliée de Contrôle les mesures prises dans ce sens, et lui fournira des précisions sur l'armement détenu par les Associations, qui a dû être saisi, ainsi que sur la destination qui lui a été donnée. Il appartiendra naturellement à la Commission Militaire Interalliée de Contrôle de vérifier les mesures qui auraient été ou qui seront prises pour assurer la mise en application, par le Gouvernement allemand, du décret du 12 Février 1926.

No. 180

Sir R. Hodgson (Moscow) to Sir A. Chamberlain (Received September 6)

No. 612 [N 4062/387/38]

MOSCOW, August 26, 1926

Sir,

I have the honour to report that Monsieur Litvinov, in the course of the conversation recorded in my despatch No. 598,¹ mentioned en passant that the Soviet Government, now as before, were ready to initiate conversations with His Majesty's Government with a view to settling outstanding differences. I said I thought an apt question was whether a similar readiness to converse was to be expected from the other side, for recent actions of the Soviet Government were hardly of a nature to induce a receptive frame of mind in England—in fact the Soviet Government seemed to have gone out of their way deliberately in order to render impossible a consummation of which they insistently proclaimed the desirability.

2. First and foremost there was the question of the strike. The Soviet Government had taken up in regard to it a position which constituted immediate intervention in affairs which were no concern of theirs whatsoever. The general strike in England was in its essence political: the Soviet Government had trespassed against their own regulations in order to allow the trades unions of this country to play a part in it. That was a bad method of preparing the way for negotiations.

¹ No. 176.

3. Then there is the matter of the Soviet press, which shows rancorous and systematic hostility to Great Britain, supporting its attacks by all kinds of fanciful statements which have no foundations in fact. It is impossible to open the papers without reading of some new machination which Great Britain has evolved for furthering her schemes against the Soviet Union. One day we are intriguing in the Baltic States, the next day setting up a dictator in Poland, the third day engaging in uncanny operations in Persia—and always with the same object in view. And not only does the press turn out this stuff unintermittently but public orators din it all the time into the ears of the masses. Yet M. Litvinov must be perfectly well aware, and other responsible persons no less so, that it is appalling nonsense from start to finish, that Great Britain is not in the least degree scheming to upset the Soviet Union, that she has her own affairs to look after and only asks the Soviet Union to confine themselves to theirs. M. Litvinov replied that it was impossible for him to know all that the British Government was doing. I admitted it, but suggested that the Soviet Government might at all events credit us with a modicum of common sense: it was patent to anyone that, did we indeed cherish dastardly designs against Russia, we should certainly not achieve success in them by the help of the antics which the Soviet press was wont to lay to our charge.

4. M. Litvinov changed his ground. He was prepared to concede that the Foreign Office might lay down for itself, and enjoin upon its subordinates abroad, a perfectly straightforward policy in relation to the Soviet Union, also that those charged with executing that policy might be carrying it out conscientiously. Yet it occurred to him that other departments of the British Government might have quite other ideas, and that the agents of those departments might be working in a sense which directly conflicted with the Foreign Office line. I had mentioned Warsaw—was it not possible that Sir William Max Muller might be acting blamelessly in accordance with blameless instructions, but that some military adviser was whispering quite different suggestions into Polish ears? And the Baltic States—had I ever heard of one 'Michael John'? I recognised the name of Colonel Meiklejohn and said—yes, that he is, or had been at one time, Passport Control Officer in the Baltic States. To what department, M. Litvinov asked, is a Passport Control Officer responsible? I replied that he is under the Foreign Office and the Home Office concurrently. M. Litvinov said that the duties actually carried out by Colonel Meiklejohn had little relation with those ordinarily entrusted to a Passport Control Officer, and that his name was frequently mentioned in the Estonian Parliament as that of an official from whom advice on important issues was received. On these issues—M. Litvinov did not specify what they were—it was Colonel Meiklejohn not Sir Tudor Vaughan² who was quoted as a mentor in Estonia.

5. I told M. Litvinov that, as I did not know what he had in his mind, it was useless to discuss this matter further. As to the general question he had raised, the answer was clear: it was quite unthinkable that the representatives

² H.M. Minister to Estonia, Latvia, and Lithuania.

of any department of His Majesty's Government abroad should give advice to a foreign government which was not in harmony with the policy of the Foreign Office: it was almost equally unthinkable that a foreign government should pay attention to such advice supposing it were tendered. As for the particular case of Colonel Meiklejohn, his duties were, as stated, those of a Passport Control Officer. I could not imagine either that he would offer advice to the Estonian Government on matters outside his sphere or that the Estonian Government would listen to him if he did.

6. I thought it proper to mention these remarks of M. Litvinov, not because of any intrinsic importance they may have, but inasmuch as they illustrate the tortuousness of Bolshevik psychology. The Soviet Government have made up their minds that Great Britain is bent upon encompassing their confusion and nothing will make them waver in this belief. It is clear from M. Litvinov's hints that nothing has transpired of a nature to substantiate the accusations made of late in the Soviet press as to the participation of British diplomatic representatives in conspiracies detrimental to the Soviet Union, but this is not sufficient to disabuse the Soviet Government of their obsessions; they must needs seek in the most unlikely places confirmation of the stories which their agents have put in circulation.

7. I am sending copies of this despatch to His Majesty's Ministers in Riga and Warsaw.

I have, &c.,
R. M. HODGSON

No. 181

Record by Mr. Gregory of a conversation with Herr Dufour-Feronce
[W 8109/223/98]

FOREIGN OFFICE, August 26, 1926

Germany and the League

Herr Dufour came, as usual, to see me this evening and read an interminable telegram from his Government, involved and obscured in true German fashion. Herr Dufour was in fact obliged to confess that he himself was defeated by it. However, the gist seemed to correspond to what we had already had from Lord D'Abernon, with the exception that a neat point was made of the consent of the German Government to the Fromageot-Gaus formula being conditional on the entry of Germany into the League and Council *before* the discussion of the reorganisation scheme by the *Council* and the actual selection of the non-permanent members. I told Herr Dufour that questions of procedure had got positively to be left to be decided at Geneva itself and that I felt there must be some confusion in the mind of the German Government on the technical side as to the actual relationship between the Assembly and Council and the relative functions of each. In these long telegrams which he constantly reads to me the word 'League' is often used to denote both 'Assembly' and 'Council', and it is not in the least clear

what is meant. I doubt therefore whether it is necessary to take this seriously. At all events I have made it perfectly clear to him that questions of procedure cannot be decided now.¹

J. D. G.

¹ Sir A. Chamberlain minuted as follows on this record: 'You spoke quite rightly. Next time Herr Dufour comes, tell him from me that the League is an assembly of equals. There may be some who are first among their equals & the League (whether Council or Assembly) has wisely recognised this fact; but we, Great Powers within the League from its formation & indeed its founders, know that if we do not recognise the *equality* of all Powers, the Assembly will not recognise the *primacy* of the Great Powers. For a Power outside the League to pose *conditions* which *no* Power inside the League would put except as arguments is 'echt Deut[s]ch [authentically German]'—in other words *very* bad diplomacy. The Prussian must pull off his Jack-boots before the new world will be comfortable to him.

'Say all this to him textually as nearly as you can, but don't give him a copy.

'You may add that in a pleasant conversation with Dr. Luther I told him that I was going to present myself for a Doctor's degree in his old University as soon as I was free & that I should take for my thesis the subject: "Those who live in islands are not the most insular."

'I beg Herr Dufour to ponder this thesis. If the German Govt. & the German authorities had known how to help i.e. had understood the mentality of the nations with which they were dealing, the progress in *concession* & reconciliation would have been much quicker. A. C. 26/8.'

Mr. Gregory further minuted on August 27: 'I repeated this message textually to Herr Dufour this afternoon. He made very little comment except to say that we mustn't judge the Germany of 1926 by the Germany of 1914. J. D. G. 27:viii:26.'

No. 182

*Sir A. Chamberlain to the Marquess of Crewe (Paris) and
Viscount D'Abernon (Berlin)*

No. 232¹ Telegraphic [W 7971/223/98]

FOREIGN OFFICE, August 27, 1926, 5 p.m.

Berlin telegram No. 219. (Your telegram No. 219.)²

We will do our best to secure acceptance of scheme. We presume that, as a matter of tactics, it is not intended to put it forward as an agreed Anglo-Franco-German scheme, as this might provoke the resentment and possibly the opposition of other countries.³

¹ No. 232 by bag to Paris; No. 107 to Berlin.

² No. 174.

³ The agreement of the German and French Governments with these views was reported in Berlin telegram No. 230 of August 28 and Paris telegram No. 345 of August 30 respectively.

No. 183

*Sir G. Grahame (Brussels) to Sir A. Chamberlain
(Received August 28, 7.40 p.m.)*

No. 99 Telegraphic [W 8094/27/17]

Very confidential

BRUSSELS, August 28, 1926, 7.33 p.m.

I have received following information from an entirely reliable Belgian source:—

Monsieur Poincaré has of late shown frequent signs of trying to interfere

with Monsieur Briand in matters of foreign policy at Ministerial Councils. He has urged that France should declare herself resolutely in favour of permanent seats on Council for Poland and Spain representing danger of Anglo-Saxon domination if latter disinterests herself from the League and has appeared quite (? indifferent) to the ultimate fate of Locarno treaties. Majority of French Ministry has however supported Monsieur Briand but latter has spoken in pessimistic terms to Belgian Ambassador in Paris as regards outcome of events at Geneva.

Monsieur Poincaré is seeking to bring about mobilization of German railway and industrial obligations but Agent-General for reparation payments has done his best to discourage the idea.

No. 184

Viscount D'Abernon (Berlin) to Sir A. Chamberlain
(Received August 29, 9 a.m.)

No. 231 Telegraphic [C 9540/481/18]

BERLIN, August 28, 1926, 8 p.m.

Minister for Foreign Affairs informs me that recent conversations between German Ambassador at Paris and Monsieur Briand and Monsieur Berthelot have been extremely satisfactory. French representatives were gratified by progress of negotiations regarding amnesty,¹ also by Germany's attitude regarding Rhineland demonstrations² and by Chancellor's speech at Breslau.³ They appeared in excellent spirits and said that task of reconciliation had been greatly facilitated.

Monsieur Briand replied that he regarded the present reduction of 6,000 men in the Rhineland garrison as inadequate. It was only a step to further considerable reductions.

He gave the impression that in his view we were merely at the threshold of further important negotiations conceived in the spirit of Locarno.

¹ See No. 158.

² The reference is presumably to the incident at Germersheim.

³ According to a translation of this speech of August 21, transmitted in Berlin despatch No. 586 of August 26, Dr. Marx stated in particular: 'It cannot be denied that Locarno has brought Germany, and particularly the occupied territory, many advantages. . . . One thing is above all things necessary, that we pay the strictest attention to the avoidance of unpleasant incidents in the occupied territory. . . . We do not . . . appear as opponents of any single candidate [for membership of the Council of the League of Nations], whoever it may be, but we desire only that the interests of all the members of the League of Nations shall be the deciding factor in the settlement of the whole problem.' For a report of the speech see *The Times*, August 23, 1926, p. 10.

Sir R. Hodgson (Moscow) to Sir A. Chamberlain (Received September 6)

No. 619 [N 4067/245/38]

Confidential

MOSCOW, August 28, 1926

I have the honour to submit the following observations upon the enclosure to your despatch No. 572¹ (N. 3504/245/38) of July 30th.

2. Mr. Porter's informant has a mass of material, some true, some false—most of it partly true and partly false. His communication has a certain value as 'colour' but little or none as a document of reference when serious issues are involved. Let me illustrate this. X quotes as an indication of discontent in the army a certain open letter addressed to Kalinin.² What really happened was that about April last a signed letter appeared in one of the peasant papers from an individual who, during the civil war, had served for two years or so in the orderly room, headed 'What about my revolutionary services', and asking how it was that, while he, the writer, was out of work, Kalinin was living comfortably with a well-stocked wardrobe. Kalinin replied with a long and ridiculous communication explaining that the poverty which still prevailed in the Soviet Union demanded sacrifices from all those who were engaged in building up the proletarian state, that he, Kalinin, as representative of that state, needed one respectable suit in order to talk to bourgeois diplomats without being laughed at, and that the little his heckler had done for the cause was really not worth talking about. The correspondence had no kind of relation to discontent in the army. Similarly, X, when on the subject of the strike and the 'clever refusal of the British workmen to accept the money extorted from the Russian workmen' speaks of 'the government' announcing that they would hold the money for use in the future. His other statements are so full of inaccuracies that their value, when they are true in substance, is seriously discounted. And I cannot believe that any appreciable number of Communists would agree with the 'Radical Communist' who told him that the Party had realised the error of its ways—that its subversive energies should have been devoted not to Europe but to America.

3. X leads up to the proposition that, in order to bring down the Soviet Government, it is necessary to 'bring the heaviest possible pressure to bear on the Governments of England and America to stop all credits or assistance of any kind to the Soviet Government.' He is of opinion that 'the time was never more ripe for the economic strangulation of this Soviet night-mare than the present' and that 'if a concerted effort is made and all countries will stop all

¹ This covering despatch (not preserved in Foreign Office archives) transmitted to Moscow a copy of despatch No. 4 of June 8 from Mr. Porter, H.M. Consul at Harbin. In this despatch Mr. Porter enclosed 'a copy of a private letter recently received from an American citizen in Moscow by the American Consul here and intended for me also'.

² President of the All-Russian Central Executive Committee and a member of the Political Bureau of the Central Executive Committee of the Communist party of the U.S.S.R.

credits. . .³ they cannot last another year.' 'The present policy', he says, 'has almost won the battle.' I do not think that much comment on this is needed. Reports on the economic position in this country have been sent in from this Mission from time to time, and I have done my best to keep the Foreign Office informed on the political situation. Of course the two sides hinge upon one another and it is clear that, both politically and economically, the Soviet Government is now going through a most critical and difficult period. It has, however, been surrounded by economic and political difficulties ever since its inception and the utmost that can be said of the position to-day is, I think, that the evolutionary process is showing signs of acceleration. I believe that to interfere in that process by intervention in any shape or form would be a mistake and the best one can do—it it [*sic*] in fact the only line to follow—is to let things take their natural course. It seems to me indifferent whether or no Vickers or other firms give credits or withhold them. Such small matters do not affect the main issues while, as for concerted action between foreign countries in order to 'strangle the night-mare', I fancy that the interests involved contain too many contradictions to allow of a joint basis for action being contemplated.

I have, &c.,
R. M. HODGSON

³ Punctuation as in original quotation.

No. 186

Mr. London (Geneva) to Sir A. Chamberlain (Received August 30, 8 p.m.)
No. 153 L.N. Telegraphic [W 8172/223/98]

GENEVA, August 30, 1926, 6.15 p.m.

Following from Lord Cecil.

Secret

My immediately preceding telegram.¹

Polish representative does not appear to like French proposal. He is passionately anxious that by some means it shall be arranged that Germany shall not take her seat at Council before Poland has been elected.

¹ Not printed. In this telegram Lord Cecil reported on the first meeting, in the morning of August 30, of the second session of the Committee on the composition of the Council, when the proposal regarding non-permanent seats circulated by the French representative, M. Fromageot, was discussed. For this proposal see No. 174. For the official record of the meetings of the Committee see League of Nations Document No. 597, M. 234, 1926, VII: *Committee on the Composition of the Council* (Report on the Work of the Second Session with minutes, Geneva, 1926), pp. 9-48.

GENEVA, August 30, 1926

His Majesty's Government have been studying the memorandum² which Monsieur Paul-Boncour submitted in support of the French proposals regarding items 5(a) and 5(b) of the list of questions submitted to the Preparatory Commission for the Disarmament Conference by the Council of the League of Nations.

After careful study of that memorandum, His Majesty's Government desire to offer the following observations and to put one or two questions with the view of elucidating certain points which are not altogether clear to them.

Under the heading 'Meeting of the Council', Monsieur Paul-Boncour suggests that telegraphic and wireless communication with Geneva should be improved. His Majesty's Government would observe that, at its 37th session in December 1925, the Council of the League of Nations adopted the report and recommendations of a commission of enquiry appointed on October 29th, 1925, to investigate the Graeco-Bulgarian dispute.³ Among these recommendations was the following:—

“It might be considered whether special facilities for communications and transit could not be granted to Governments and to the Secretariat of the League in case of a threat of war—in particular the use of wireless and priority messages”. We advise that the Council should refer this suggestion to the League's Advisory and Technical Committee for Communications and Transit, with the request that the Committee examine the matter and submit a report to the Council.’

In accordance with the request of the Council, the President of the Advisory and Technical Committee for Communications and Transit forwarded to its responsible Sub-Committees a copy of the Council's resolution, asking that the request be examined forthwith and the results reported to the Committee for eventual submission to the Council. At the 5th session of the Railways Sub-Committee which took place at Geneva in January of this year the question was examined in so far as rail transport was concerned and the matter was duly placed on the agenda of the Telegraphic Sub-Committee. His Majesty's Government learn that this Telegraphic Sub-Committee was to meet on or about the 30th July. It would thus appear that the improvement of telegraphic and wireless communication with Geneva is already receiving careful consideration by the competent technical body of the League.

¹ This unsigned *aide-mémoire* was received in the Foreign Office on September 6, 1926, under cover of Geneva despatch No. 30 L.N.C.C. which also transmitted a copy of the letter of August 30 wherein Lord Cecil evidently forwarded to M. Paul-Boncour a copy of the present *aide-mémoire*. Neither the despatch nor the letter to M. Paul-Boncour is preserved in Foreign Office archives.

² See No. 83, note 3.

³ See No. 19, note 6.

His Majesty's Government would be glad to learn whether the French Government contemplate any investigations outside the scope of the enquiries which are already being conducted, or whether they do not think it would be better in the first place to await the result of those enquiries.

Under the same heading Monsieur Paul-Boncour suggests that those members of the Council who cannot arrive in time at the place of meeting should be automatically replaced by the diplomatic representatives of their country in the nearest capital.

His Majesty's Government venture to observe that the nomination of representatives to the Council of the League lies within the sole discretion of the governments of States members of the Council. They assume that there is no question of the adoption of rules which might in any way fetter that discretion, and they would be glad to learn in rather more detail what Monsieur Paul-Boncour has in mind.

Under the same heading, again, His Majesty's Government note the suggestion that 'organs of information available for the League on the spot in places where conflicts are likely to occur should be improved and increased gradually as political circumstances may allow'. In order that they may be in a position to give this suggestion the consideration which it deserves, they would be grateful for further information as to the exact intention of the term 'organs of information', and the manner in which it may be proposed to utilise such organs.

His Majesty's Government assume that Monsieur Paul-Boncour's proposals under the heading 'Basis for a decision' imply the maintenance of a register of approved individuals to act as investigators or assessors in the event of the occurrence of an incident or dispute. They would be glad, however, to know that this assumption is correct.

As regards the suggestions under the heading 'Drafting of the Council's decisions', His Majesty's Government venture to observe that the imposition of an armistice, in the event of one or more of the parties refusing to accept it, would involve the determination of the aggressor if the armistice were broken. Apart from the difficulty inherent in that task, the decision is one which, in the opinion of His Majesty's Government, should only be taken under the existing rule of unanimity. Any modification of the rule to meet the case in point would appear moreover to involve an amendment of the Covenant.

His Majesty's Government would be grateful for some further explanation of Monsieur Paul-Boncour's suggestions under this head.

Under the heading 'The despatch of help', His Majesty's Government do not clearly understand in what respect it is contemplated that the Permanent Advisory Commission should advise on the procedure to be adopted by the Council, and they would welcome further information on this point.

As regards the section headed 'Economic and financial assistance', His Majesty's Government would be interested to receive information on the following points:—

(a) Whether the object of these proposals is to aim at the establishment or [sic ? of] an equality of potential war strength for all countries, and

(b) What is the nature of the machinery which it is proposed to set up beforehand to effect this object?

(c) Whether there is any specific reason for the omission of any reference to the imposition of financial and economic sanctions.

No. 188

Mr. London (Geneva) to Sir H. Rumbold (Madrid)

No. 1 Telegraphic [W 8261/76/28]

GENEVA, September 1, 1926, 1 p.m.¹

Following from Secretary of State, Geneva.²

Addressed to Sir H. Rumbold No. 1 of September 1st, repeated to Foreign Office and by bag to Paris.

Your telegram No. 103.³

Quiñones came to see me in Paris and made to me warning to the same effect. Spanish Government had, however, instructed him that Italy was favourable to Spanish claim and that Great Britain had accepted proposal for incorporation of Tangier in Spanish zone provided that other Powers would agree.

I said that this was dangerous and incomprehensible misunderstanding. I had from the first said that simple incorporation was impossible. His

¹ Time of repetition as No. 158 L.N. to the Foreign Office (received at 2.45 p.m. on September 1).

² Sir A. Chamberlain had left London for Geneva on August 31, spending three hours in Paris *en route*. He remained in Geneva, where he attended the League of Nations, until September 16, when he joined Lady Chamberlain for a yachting cruise in the Mediterranean, returning to London on October 3 via Paris. For the report by the Secretary of State on the Forty-First and Forty-Second Sessions of the Council (September 2-7 and 16-20 respectively), see Cmd. 2761 of 1926. For the British Delegates' report on the Seventh Assembly (September 6-25), see Cmd. 2780 of 1926.

³ Not printed. This telegram of August 30 reported that General Primo de Rivera had instructed the Spanish Ambassador at Paris, Señor Quiñones de Leon, to renew to Sir A. Chamberlain and M. Briand the Spanish request for the incorporation of Tangier in the Spanish zone of Morocco and to propose a conference to work out the details. This request had been made in a note of August 23 to the British, French, Italian, and United States Governments. A translation of this note, as addressed to the American Ambassador at Madrid, is printed in *Papers relating to the Foreign Relations of the United States 1926*, vol. ii, pp. 731-3. The translation of the note addressed to Sir A. Chamberlain included, in particular, in the paragraph corresponding to the penultimate paragraph of the American translation, the following passage: 'His Catholic Majesty's Government is desirous of laying stress upon the close connection which exists between the settlement of the Tangier question and the position of Spain in the League of Nations. The attitude adopted by our country in regard to the problem of the constitution of the Council of the League of Nations is today the same as it was in March, and for the reasons so often expressed, she maintains her demand for a permanent seat. She considers that her collaboration would be sterile from the point of view of the League itself if she were to accept an intermediate formula, and as an adequate compensation, in face of her own duty and of public opinion, which is so interested in both problems, she would only consider the solution of the Tangier problem which she has the honour to propose.'

Majesty's Government were as much opposed to it as the other Powers. It was then that Spain suggested a mandate and His Majesty's Government had expressed their willingness to agree to suitably devised mandate if but only if Spanish Government could secure consent of other Powers. It is now clear that this assent cannot be obtained and we can only fall back on consideration of such other means as there may be for giving a measure of satisfaction to Spain as suggested in my last conversation with Spanish Ambassador in London⁴ but time is required to derive any results from such conversations which obviously cannot be held until after Geneva.

Quiñones has been further instructed by Prime Minister to inform me without using any threat that failing acceptance in principle by France and Great Britain of demand for incorporation of Tangier, Spain would withdraw from Council and give notice of her withdrawal from the League.

Once again I must point out how difficult a friendly solution is made by this method of handling the matter and appeal to Spanish Government to consider in what light they would regard similar communication from another Power. I should despair of reaching any accommodation if by such precipitate action they closed the door to all friendly discussion and I earnestly appeal to Prime Minister not to take any step at this moment which endangers the future. There can be no necessity for immediate action or decision. Let him reserve his liberty and meanwhile continue to seek friendly solution with Spain's friends. I cannot understand how any Spaniard can take responsibility of destroying position of outstanding influence which Spain has built up for herself within the League.

I beg you at once to speak to Prime Minister on these lines.⁵

Repeated to Paris by bag.

⁴ In this conversation of August 12, as recorded in Foreign Office despatch No. 365 to Madrid, Sir A. Chamberlain had expressed his disappointment at Spain's insistence on a special position on the Council of the League of Nations 'completed by concessions in Tangier or others', and had suggested that Spain and France, as the most interested Powers, should hold conversations regarding an arrangement at Tangier.

⁵ Sir H. Rumbold reported on September 4 in Madrid telegram No. 2 to Geneva (110 to the Foreign Office) that he had carried out these instructions but that General Primo de Rivera had informed him that the Spanish Cabinet Council 'had unanimously decided that Spain was to withdraw from further collaboration in the League immediately after Germany had entered it.'

No. 189

*The Marquess of Crewe (Paris) to Sir A. Chamberlain
(Received September 2)*

No. 1656 [C 9673/436/18]

PARIS, September 1, 1926

His Majesty's Representative at Paris presents his compliments to the Secretary of State for Foreign Affairs, and has the honour to transmit herewith copy of the under-mentioned paper.

Name and Date.
Note from the
Ambassadors' Conference
to German Ambassador,
No. 173,
August 27, 1926.

Subject.
Alienation of unauthorised
German military administrative
establishments.¹

ENCLOSURE IN No. 189

M. Briand to Herr von Hoesch (Paris)
No. 173

PARIS, le 27 Août 1926

Monsieur l'Ambassadeur,

Votre Excellence se rappellera qu'à la date du 5 Mars 1926,² j'ai eu l'honneur d'attirer Son attention sur la question de l'aliénation des établissements militaires de l'armée allemande en excédent. Depuis cette époque, et bien que le Gouvernement allemand ait été informé de l'intérêt qu'attachait la Conférence à son règlement, cette affaire n'a malheureusement réalisé aucun progrès. A la date du 29 Avril 1926, il est vrai, la Commission Militaire Interalliée de Contrôle a reçu communication d'une liste, d'ailleurs incomplète, des établissements en cause, avec l'indication de leur utilisation actuelle. Cette liste, contrairement au désir formellement exprimé par la Commission Militaire Interalliée de Contrôle, ne renfermait aucune proposition précise d'aliénation.

La Conférence des Ambassadeurs ne méconnaît pas les difficultés qu'il peut y avoir pour l'administration allemande, étant donné le délai relativement court dont elle dispose, à aliéner, dans des conditions acceptables, certains de ces établissements. Elle est, cependant, en droit de manifester quelque surprise en apprenant que les autorités allemandes intéressées n'ont pas, jusqu'ici, trouvé le moyen de présenter à la Commission Militaire Interalliée de Contrôle une seule proposition concrète concernant un seul des établissements d'administration militaire dont il s'agit.

Je ne puis donc que prier Votre Excellence d'insister de nouveau auprès de Son Gouvernement pour que celui-ci prenne, sans retard, les mesures appropriées en vue de l'aliénation définitive des établissements administratifs de l'armée allemande non autorisés.

Veuillez agréer, &c.,

A. BRIAND

¹ A note on the filed copy by Mr. Baxter stated: 'We agreed to this note.'

² See Volume I, No. 269, note 3.

Mr. Wingfield (Rome) to Sir A. Chamberlain (Received September 10)

No. 747 [W 8616/6852/17]

Confidential

ROME, *September 2, 1926*

Sir,

With reference to my despatch No. 744¹ of yesterday's date, I have the honour to report that I have been much struck during the past month by the increased unfriendliness in the tone of the Italian press with regard to France, and by the general assumption made that in all questions of foreign policy France is working against Italy. It would serve no useful purpose were I to quote long extracts from the press in illustration of what I mean. In my despatch No. 725² of the 27th ultimo I have referred to some articles on the subject of the Serbo-Greek Treaty, which was considered as the offspring of French machinations, whilst you are already cognisant of the constant articles which show that the question of immigration into Tunis,³ far from being dead, is not even slumbering. I have also had the honour to report to you in previous despatches⁴ some of the press comments respecting the Tangier question. I will therefore now only mention as examples of anti-French articles one in the 'Tevere' of August 31st, which speaks of the 'deliberate, petty and blind hostility of French diplomacy to Italy'; one in the 'Mattino' of the 28th ultimo, which spoke of the persistence of France in seeking at all costs to diminish the prestige of Fascist Italy in the Balkans, whilst doing nothing to solve the problems of Tunis, Tangier or Abyssinia, and complained of general French opposition to all Italian rights in the Mediterranean; and

¹ In this despatch Mr. Wingfield reported that he had 'communicated to Signor Mussolini yesterday in a French translation the instructions conveyed to H.M. Ambassador at San Sebastian in your telegram No. 54' of August 29. This telegram to Sir H. Rumbold had referred to the French refusal of the Spanish demand for the incorporation of Tangier in the Spanish zone of Morocco, and to the French proposal for a 'preliminary conversation between France, Spain and Great Britain' on the subject of Tangier. Mr. Wingfield continued: 'Signor Mussolini replied that if only private conversations, and not a "conference", were in contemplation, he did not desire to raise any objections, as he would be bound to do were another Tangier Conference held without the participation of Italy. . . . He felt that His Majesty's Government had been consistently friendly towards Italian aspirations in this and other matters, but he was convinced that France was trying to keep Italy out of participation in these negotiations.'

² In this despatch, Mr. Wingfield had referred to press reports of 'a secret treaty between Greece and Yugoslavia'. Mr. MacKillop, H.M. Chargé d'Affaires in Athens, had reported, in Athens telegram No. 175 of August 18, that 'Four railway and free zone conventions were signed in Athens today. At the same time plenipotentiaries signed treaty of "understanding and friendship" which will remain in force for 3 years and is renewable.' These treaties were not ratified by Greece owing to the *coup d'état* of August 21-22 when the regime of General Pángalos was overthrown by General Kondylis: cf. *Survey of International Affairs 1926*, pp. 172-5.

³ For the question of the status of the Italian settlers in Tunisia, see *op. cit.*, 1925, vol. 1, pp. 181-4.

⁴ Not printed.

one in the 'Tribuna' of last night, which referred to the Quai d'Orsay's policy of 'subterranean and petty hostility'.

2. I was at first uncertain whether, having been but six months in Rome, I was not unduly impressed by a factor in the political situation to which I had before paid insufficient attention, but some of my colleagues whom I consulted upon this point assured me that this was not so. The Belgian Ambassador did indeed say that Franco-Italian press polemics were a permanent feature of the political outlook in Rome; but he considered that the present was an exceptionally acute phase of the friction between the two countries which from time to time increased or diminished, but was never quite absent.

3. In these circumstances I took advantage of Signor Mussolini's remarks about the attitude of France towards Italy to ask His Excellency whether he could tell me anything as to the relations between this country and her French neighbour. He replied that too much importance must not be attached to press polemics, but that there was unfortunately at present a certain lack of cordiality in the sentiments of the people of France and Italy for one another, although official relations remained friendly. This unsatisfactory atmosphere would of course not lead to any serious results; but it would be a grave matter if a feeling of irritation between the two peoples were allowed to become permanent. Italy felt that France was working against her in every direction—e.g. Tangier, Abyssinia etc.—whilst none of the outstanding questions between them—e.g. Tunis—had been settled. His Majesty's Government had met Italian wishes with regard to Jubaland⁵ and had made a most generous debt settlement;⁶ but with France the Italian Government had been entirely unable to make any advance towards a settlement on any subject. In these circumstances the sky could not fail to be somewhat clouded; whilst there was always a danger lest by some ill-judged act, such as the sudden termination of the arrangement by which the thousands of Italians in Tunis retained their nationality, a quite serious storm might be called up in this country.

4. Yesterday morning, during a visit I was paying to the French Chargé d'Affaires, I took occasion to ask him what were his impressions on this subject. I said that I had spoken to Signor Mussolini who, whilst he did not

⁵ By a treaty signed in London on July 15, 1924, the British Government ceded to Italy the British portion of the Juba valley (lying between Kenya and Italian Somaliland): see *British and Foreign State Papers*, vol. 119, pp. 433-7. The territorial provisions of the treaty were based on an agreement made in April 1920 between Lord Milner, Secretary of State for the Colonies, and Signor Scialoja, Italian Minister for Foreign Affairs. At that time, His Majesty's Government held that, in consenting to this agreement, they were entering into an 'enlarged transaction', and were not merely executing the undertaking regarding colonies given in article 13 of the Treaty of London of 1915 (printed as Cmd. 671 of 1920). For an account of the settlement of the question of Jubaland, see *Survey of International Affairs 1924*, pp. 463-71. For statements made in the House of Commons by the then Prime Minister, Mr. Ramsay MacDonald, on February 25 and March 3, 1924, see *Parl. Debs.*, 5th ser., *H. of C.*, vol. 170, cols. 28-29 and 954-5 respectively.

⁶ This agreement of January 27, 1926, is printed in Cmd. 2580 of 1926: cf. Volume I, No. 209, note 1.

think that the present attitude of the press in France and Italy should be considered as more than a slight oscillation in the normal relations between the two countries, had expressed the earnest hope that these relations, which were not as cordial as they might be, would before long be freed from all clouds as a result of a settlement of outstanding questions.

5. Monsieur Roger said that since the Spaniards had made their claims with regard to Tangier—as to which he did not share the opinion of those who believed that there had been Italian collusion in connection with the conclusion of the Treaty of Madrid⁷—there had been more than the usual friction between France and Italy. Some degree of friction was always, however, present. The Italians were neighbours of France, they understood French and they had many affinities with the French people; they consequently followed closely all that happened in France and everything written in the French press; criticisms of Italy were at once reported, whilst mere propinquity naturally gave rise to numbers of questions requiring settlement. There was moreover a great measure of jealousy in the Italian attitude towards France. France had colonies whilst Italy desired them; France was rich, at all events in raw materials, whilst Italy was not. Italy consequently had her eyes constantly turned towards France and was inclined to be critical or suspicious of everything she did. She complained that there were a number of unsettled questions between the two countries; but it must be remembered that in all of them Italy asked France to give her something and offered in return nothing but her friendship. Signor Mussolini, with his nationalist policy, desired to have something to show as having been obtained by Fascist diplomacy: but if Italians were given an inch they would take an ell and it was natural that France should not be in a hurry to give everything asked of her. The Tunis question was a delicate one; but some compromise, completely satisfactory to neither party, would doubtless be arrived at.

6. In conclusion Monsieur Roger said that the Italian press was given to exaggeration in language. There had been an unusually strong anti-French tone recently, but such phases came and went quickly in this country. He did not attach undue importance to them, and he was glad to see from my account that Signor Mussolini too judged the situation calmly.

7. I have ventured to draw your attention to this slight change for the worse in the atmosphere pervading Franco-Italian relations, since the latent ill-feeling between the two neighbours undoubtedly affects the official Italian attitude towards all political questions with which France is connected. You will recall Italy's objections to the proposed pact or pacts connecting France and Italy with Jugo-Slavia (please see Sir R. Graham's

⁷ For the Treaty of Friendship, Conciliation and Judicial Settlement of Disputes between Italy and Spain, signed at Madrid on August 7, 1926, see *British and Foreign State Papers*, vol. 125, pp. 867–71. In his despatch No. 416 of September 9 from San Sebastian Sir H. Rumbold commented that it seemed to him that Mr. Wingfield was 'very near the mark in his surmise [in Rome despatch No. 677 of August 12, not printed] that the treaty represents chiefly a gesture of self-assertion on the part of two Latin Powers which do not think that their importance in the world is sufficiently recognised'.

despatch No. 193 of the 3rd March last⁸), as an example of the rivalry that has for some time existed; and I may mention, in addition to the causes of Italian dissatisfaction which I have already enumerated, the metallurgical negotiations between France, Germany, Belgium and Luxemburg,⁹ to which Italy is not a party, and the difficulties placed in the way of Italian aviation by the French, for example with regard to the desired extension of the Palermo-Genoa air-line to Marseilles in order to connect there with the French air-line to England and to be itself continued to Barcelona. A certain degree of jealousy and competition in the international field between France and Italy will doubtless still subsist when the chief questions between them have been settled; but some concession on the part of France to Italian wishes will certainly improve the atmosphere and may help to remove the present ill-concealed desire of Italians to put a spoke in the wheels of French diplomacy in any questions that arise.

I have, &c.,

CHARLES WINGFIELD

⁸ Not printed. In this despatch Sir R. Graham gave a rather fuller account of his interview with Signor Mussolini on March 1 than that printed as No. 309 in Volume I.

⁹ See No. 244.

No. 191

Viscount D'Abernon (Berlin) to Mr. London (Geneva)

No. 13 Telegraphic [Germany 24/11]

BERLIN, September 3, 1926, 6.45 p.m.¹

Following for British delegation:—

'Agent-General informs me that agreement regarding contingent reparation payments² was signed at 11 p.m. yesterday. Official statement regarding it appears in German press this morning.

'Up to last minute there was considerable doubt whether agreement would be reached.

'Agent-General attaches great importance to signature. He considers—speaking privately—that it increases stability and durability of Dawes Agreement in a high degree.

'It is clear that a German Government which intended to jib at the 1928 bill would not have accepted a plan which so diminishes the gradient.

'Agent-General pays high tribute to attitude of Minister of Finance.'

¹ Time of repetition to the Foreign Office as Berlin telegram No. 241 (received on September 4 at 9 a.m.).

² In this connexion a minute of September 4 by Mr. Perowne explained that whereas by Annex I to the agreement of August 9, 1924, between the German Government and the Reparation Commission (cf. No. 93, note 4), the German budget was liable to contribute to the Reparations Annuity for 1926-7 110 million gold marks, with a possible addition of up to 250 millions, and to the Annuity for 1927-8 500 million gold marks with a possible addition of up to 250 millions, the new agreement provided that these budgetary contributions should be 410 million gold marks for 1926-7, and 500 million gold marks for 1927-8: cf. *The Report of the Agent General for German Reparation Payments*, November 30, 1926, pp. 4-5.

Sir W. Tyrrell to the Marquess of Crewe (Paris)

No. 2525 [C 9724/446/18]

Confidential

FOREIGN OFFICE, September 3, 1926

My Lord Marquess,

With reference to my despatch No. 2399¹ of the 23rd August, the German Chargé d'Affaires called on Sir Victor Wellesley on the 26th August and said he had an important communication to make relating to the reduction of troops in the Rhineland. The German Ambassador in Paris had been instructed to approach the French Government with a demand to state categorically—

- (1.) The number of troops actually in the Rhine Valley.
- (2.) The number of troops which had been withdrawn.
- (3.) The number of troops it was proposed to withdraw.

M. Dufour was instructed to make the same request to His Majesty's Government.

2. Sir Victor Wellesley replied that as far as the British troops were concerned there would probably be no difficulty, but he did not see how we could be expected to make any authoritative statement as regards the French and Belgian troops.

3. M. Dufour then continued that what the German Government would have liked would have been a reduction to 50,000 men, corresponding to the figure of German troops stationed in the Rhineland on a peace footing before the war. He knew, however, from Mr. Lampson that that was an impossibility. He went on to say that the reduction of troops was a very vital question for the German Government at the present moment as they had to satisfy public opinion that some tangible results had flowed from their acceptance of the Locarno policy before their entry into the League.

4. M. Dufour then proceeded to enumerate a number of incidents in which, he declared, the German Government had done their utmost to give satisfaction to the Allies, and which he thought should be taken into account. First, he mentioned the amnesty negotiations which he said had, after considerable difficulty, been brought to a satisfactory conclusion.

5. Secondly, he referred to the Germersheim incident, and said that the German Government had taken preventive measures to guard against a repetition of such incidents in the future. They were very anxious that the whole affair should be buried, but in view of public opinion they were unable to go quite so far as that. They were now endeavouring to obtain authentic reports from reliable persons on the spot whose depositions would be taken

¹ Not preserved in Foreign Office archives. This despatch transmitted to Paris a copy of the memorandum communicated by M. de Fleuriau on August 16 (see No. 135, note 9) together with a letter of August 20 from the Foreign Office to the War Office requesting that Sir A. Chamberlain be supplied with the corresponding British figures.

on oath. When these were complete and had been thoroughly examined, they proposed to address a note to the Rhineland High Commission.²

6. Thirdly, M. Dufour declared that the German Government had met the French demand to prevent the appearance of unfriendly publications, both official, semi-official and private, in the Rhineland.

7. Fourthly, in order to please the French, the German Government had decided to refrain from any official publication on the subject of the Ruhr occupation, and they also intended, as far as was legally possible, to suppress all private publications on this subject.

8. Fifthly, the German Government had undertaken to prevent the meeting of Nationalist associations and their utterances, so far as this was possible, especially along the frontier of occupied territory.

9. Sixthly, as regards League matters, the German Government had shown the utmost goodwill in meeting the views of the Allied Powers, and here M. Dufour referred more especially to the Fromageot-Gaus negotiations which had just taken place in Berlin.

10. Finally, M. Dufour came to the point which he said was the most important of all. He said that in a conversation with Mr. Lampson a little while ago the latter had asked him, quite informally and without instructions, how the German Government would view a reduction or withdrawal of British troops from the Rhineland. M. Dufour had replied, also without authority, of course, that his Government would much prefer a reduction of French troops as ours had already been much reduced, but the conversation was not carried any further. He said that he had put the question to his Government, making it, of course, quite clear that it did not amount to a formal proposal, but had merely been touched upon in a private conversation with Mr. Lampson.

11. The reply he had received from Berlin was that the German Government would welcome a withdrawal of 3,000 to 4,000 men, and even of all the British troops, provided that that did not mean that Great Britain would withdraw from the Rhineland High Commission. They had referred more particularly to article 2 of the Rhineland Agreement.

12. The conversation was concluded at this point. On the 31st August

² In Coblenz despatch No. 208 of November 6, 1926 (not printed), Lord Kilmarnock reported that the German Commission had, on November 5, handed to him as acting President of the Inter-Allied Rhineland High Commission a reply (a translation of which was transmitted to the Foreign Office in Coblenz despatch No. 209 of November 9) to the High Commission's note of July 31 (cf. No. 116, note 1). Lord Kilmarnock reported that the note transmitted 'a summary of the evidence which the Bavarian Government have collected in regard to the alleged incidents. In the note Baron Langwerth states that the evidence confirms in all important particulars the charges originally preferred against the Germersheim garrison, and asks that the High Commission should re-open its examination of the case.' In Coblenz despatch No. 212 of November 13, Lord Kilmarnock further reported that the High Commission had, on November 12, considered the German note and had decided to forward it to General Guillaumat. Lord Kilmarnock concluded: 'The communication to the German Government that the question has been referred to General Guillaumat should provide a further delay of considerable duration and during this time it is to be hoped that the whole question will be allowed to sink into oblivion.'

Sir Victor Wellesley sent for M. Dufour to give him a reply to his enquiries. Speaking on my instructions, Sir Victor Wellesley informed M. Dufour that on the 1st August last (the latest date for which figures were available), the British troops in the Rhineland numbered 8,050 men, which represented a reduction since the 1st January last of 901 men. Sir Victor added that in regard to the French and Belgian figures, he could, of course, give no information. Nor could I fix a number down to which the total of Allied troops might be brought; I could only say that if the various measures which M. Dufour declared the German Government recently to have taken had been taken earlier and effectively, the numbers would, in my opinion, now be lower than they are.

13. On M. Dufour reverting to the question of the total withdrawal of British troops, Sir Victor Wellesley gave a non-committal reply and said that it had not been considered by His Majesty's Government, but it was difficult to see how it could be effected without involving withdrawal from the High Commission.

14. Finally Sir Victor Wellesley warned him of the dangers inherent in raising these discussions in this way and at this moment. To this M. Dufour at once retorted that these discussions had not been *raised* now, but had been proceeding for months and Germany had received no satisfaction. Sir Victor replied that he thought this was not quite correct, as he believed that a reduction of 4,000 men had already been effected and that the French had promised to reduce their forces by a further 6,000. He then gave M. Dufour the substance of Lord D'Abernon's telegram No. 231³ of the 28th August, and added that in view of the great satisfaction with which the German Government had received the account of a conversation between the German Ambassador in Paris and M. Briand, he hoped they would now remain content and not press matters to extremes at this critical juncture. They must surely realise that to pursue these discussions now was the height of un-wisdom.

15. I request that your Lordship will inform the French Government of the representations made by M. Dufour and of the reply given him, on my instructions, by Sir Victor Wellesley. You should make it clear that I purposely refrained from giving the German Government any information as to the strength of the French army, but you should, at the same time, omit all reference to the passages about the possible reduction or even total withdrawal of the British troops in the Rhineland contained in paragraphs 10, 11 and 13 above.⁴

16. I have addressed a similar despatch to His Majesty's Ambassador at Brussels.

I am, &c.,
(For the Secretary of State)
ORME SARGENT

³ No. 184.

⁴ Lord Crewe acted on these instructions in a note of September 8 to the French Ministry of Foreign Affairs.

No. 193

Sir W. Tyrrell to Mr. Magowan (Mainz)

No. 58 [C 9480/692/18]

FOREIGN OFFICE, *September 4, 1926*

Sir,

With reference to your despatch No. 35¹ of the 6th July, reporting Mr. Stephens' suggestion that the French Government might be induced to sell their rights in the Saar mines to an international consortium, I am directed by Secretary Sir Austen Chamberlain to inform you that after careful consideration His Majesty's Government have decided that the proposal is not one which they can support or encourage. In this connection a copy of a letter from the Mines Department² is transmitted to you herewith for your information.

2. Should Mr. Stephens revert to the subject, you may inform him of the decision of His Majesty's Government.

3. Copies of this despatch have been sent to His Majesty's Ambassadors at Paris and Berlin and to His Majesty's Consul-General at Cologne.

I am, &c.,

C. HOWARD SMITH

¹ No. 84.

² This letter of August 12 is not preserved in Foreign Office archives. A subsequent memorandum of October 26 by Mr. Baxter gave the following reasons for His Majesty's Government's decision: 'In the first place, the British coal trade would suffer if countries which are now British markets acquired an interest in such a consortium and thus acquired a motive to take Saar coal in preference to British. Moreover, such a form of control, since it must presumably be shortlived, would fail to provide the settled conditions which are the first requisite of trade prosperity, and the interests of British trade would best be served if Germany were enabled to repurchase the mines forthwith.'

No. 194

Viscount Cecil (Geneva) to Sir W. Tyrrell (Received September 8)

No. 53 L.N.C.C. [W 8542/223/98]

GENEVA, *September 5, 1926*

Sir,

In continuation of my despatch No. 29 (L.N.C.C.),¹ of August 30th, I have the honour to submit the following observations in amplification of my telegrams¹ which have described summarily the proceedings of the Committee on the Composition of the Council and its sub-committee.

2. The sub-committee met on the morning of August 31st, and it became clear at once that its preliminary business would be to clear out of the way the so-called Fromageot formula, which had introduced several rather regrettable and perhaps unnecessary complications.

¹ Not printed: cf. No. 186, note 1.

3. It appeared to me that after all the Committee would probably be ready to confirm the greater part of their recommendations of last May,² and that it was preferable to induce them to begin doing this and then seeing how much would have to be altered owing to pressure from various quarters, rather than to take what looked like a new scheme and to reopen discussion on all its aspects.

4. The Committee would evidently agree to maintain rule 1, the first paragraph of rule 2, and rule 4: equally they seemed disposed to drop rule 3. There remained the second paragraph of rule 2, which really applied to the transitory period, and I thought it best to remove this from where it stood and to discuss it with the other transitory provisions. We should thus have 3 general rules agreed, and the difficulties would all be centred in the transitory provisions. This was readily agreed to, but a preliminary skirmish on the transitory provisions promised to land the sub-committee in so confused a discussion that it was generally agreed that someone had better draft texts embodying, as alternatives, the various and conflicting ideas expressed. This task was confided to Monsieur Fromageot who, at the evening session, was able to submit such a text of the transitory provisions. The first paragraph dealt with the manner of determining which of the 9 members first elected should sit for 1 year, which for 2 and which for 3 years. On this point his draft provided 2 alternatives, one for determination by lot, the other for designation by the Assembly, which would proceed by 3 separate elections for the 3 several batches. The second paragraph related to the designation of 're-eligibles'—whether this should be done at the ordinary election by writing the word 're-eligible' against the name of selected candidates, or whether it should be done by means of a special vote in each case by the Assembly. The third paragraph, in its first alternative, provided that three 're-eligibles' might be declared in 1926, but that thereafter, in 1927 and 1928, retiring members not already declared re-eligible might be so declared, to the number of 3 (as provided in the Fromageot scheme). According to the second alternative—to meet the Polish point of view—the Assembly, if it declared 3 re-eligibles in 1926, would exhaust its power until these re-eligible mandates were exhausted.

5. All the real difficulty centred round the third paragraph, which brought the German and Polish views into conflict. The Pole opposed the lavish distribution of the privilege of re-eligibility on the ground that this would cheapen the honour: the German favoured it for the selfsame reason.

6. I felt bound at the outset to point out what seemed to me to be a very real reason for opposing the first alternative, which had been explained privately to me by the Polish representative. If three members were declared re-eligible in 1926 and if they were not due to retire and present themselves for re-election for 2 or 3 years, it might be that in the interval retiring members might be declared re-eligible and re-elected, thus barring access to the Council for the original 're-eligibles', whose privilege would have become worthless.

² Cf. No. 114, note 1.

7. The Polish representative declared roundly that such a scheme would not be acceptable to his Government: in the absence of any Spanish representative on the sub-committee, he ventured to say that it would offer no sort of attraction to Spain.

8. As an alternative I suggested that if, in fact, the Assembly in 1927 and 1928 added to the original 3 're-eligibles', it might by a special vote single out from this superfluity of eligibles the three who were to be maintained as such.

9. The German representative accepted this suggestion, but it met with no favour from the Pole, and I had to explain that I had only made it in the hope that it might produce agreement. As it had failed, I must withdraw it and vote for the first alternative.

10. The Polish representative then made a slight advance by agreeing that, in exceptional circumstances, the Assembly might add, say, one to the original 3 re-eligibles, but in that case all four must be allowed to be *re-elected*. To this, of course, the sub-committee would not listen.

11. As a last effort, I suggested that the Assembly might be allowed to add to the original re-eligibles but that it should be explicitly stated that this might only be done in 'altogether exceptional circumstances'.

12. This secured agreement, and the discussion, which had lasted over 2 hours, was finished off in five minutes, the sub-committee adopting the second alternative for the first paragraph, and the second alternative for the second paragraph.

13. For convenience of reference I enclose a complete copy of the scheme as finally approved by the sub-committee, and submitted to the full Committee on the morning of September 1. (Annex 1.)³

14. The proceedings in the full Committee at that session are summarised in my telegram No. 169 (LN)¹ of September 1[3], and call for no particular comment.

15. In the afternoon the Committee discussed the question of permanent seats, and by midday on September 3 had approved the complete report, copy of which is also enclosed. (Annex 2.)⁴ My telegrams¹ will have given you an idea of the course of the proceedings.

16. I had originally thought that a passage might have been inserted in the report emphasising the efforts that had been made to meet Spanish wishes and thereby making an indirect appeal to Spain to reconsider her attitude.

³ Not printed. Annex 1 comprised draft regulations in four articles which were the same as those read by the chairman and printed in *Committee on the Composition of the Council*, *op. cit.*, pp. 26-27.

⁴ Not printed. The report of the committee is printed in *League of Nations Official Journal*, October 1926, pp. 1357-8. *V. ibid.*, pp. 1240-1, for the resolution of the Council of the League of Nations on September 4 whereby the report was approved and it was decided to appoint Germany as a permanent member of the Council upon her entry into the League of Nations. On September 8 the Assembly of the League of Nations resolved unanimously to admit Germany to the League, to include her as a permanent member of the Council and to increase the number of elected members of the Council to nine: see *op. cit.*, *Special Supplement No. 44*, pp. 35-36.

But it became clear that if this were done, Poland would claim to be named as a sharer in these favours, or would at least insist on an indication that they had been designed to satisfy the aspirations of all claimants to permanent seats. I therefore decided that it would be better, after the close of the proceedings, when Spain, by not endorsing the scheme, had put herself in a category by herself, to address an appeal, by means of a special resolution, to the Spanish Government through their representative on the Committee. I enclose, for convenience of reference, a copy of the resolution as adopted. (Annex 3).⁵

I have, &c.,
CECIL

⁵ Not printed. This resolution was the same as that adopted by the Council on September 4: see *op. cit.*, October 1926, pp. 1241-2. On September 8 Sir H. Rumbold reported in his telegram No. 8 to Geneva from San Sebastian (No. 121 to the Foreign Office) that the Spanish Minister for Foreign Affairs had informed him that his Government had sent to Geneva a notification of Spain's withdrawal from the League of Nations, and that the decision to withdraw had been taken before September 4. The Spanish note of September 8 to Sir E. Drummond is printed *op. cit.*, November 1926, p. 1528.

No. 195

Sir A. Chamberlain (Geneva) to Sir G. Grahame (Brussels)

No. 663 [W 8641/1730/4]

GENEVA, September 7, 1926

Sir,

M. Vandervelde called upon me by appointment this morning. He first read to me the confidential despatch from the Belgian Ambassador in Paris recording a discussion which had taken place in the French Cabinet in regard to the entry of Germany into the League and the attitude which France should adopt towards the claims of Spain and Poland, of which he had given you an account some little time ago.¹ He added that, when he had gone to Paris with M. Francqui to discuss Dr. Schacht's proposals in relation to Eupen and Malmédy, he had had an opportunity of observing the marked difference in the point of view of M. Poincaré and M. Briand. He was convinced that M. Briand remained deeply attached to the policy of Locarno and to the development of its consequences, but he was afraid that M. Briand would find his efforts considerably impeded by M. Poincaré.

M. Vandervelde then turned to the appeal which the Belgian Government had made to the Governments of France and Great Britain for favourable consideration of a proposal to anticipate their Dawes annuities as a means of meeting the present financial crisis.²

I told M. Vandervelde that immediately upon receipt of this communication I had referred it to the Treasury with a statement that if it were financially

¹ The reference is presumably to the report summarized in No. 183.

² See No. 168.

practicable there were certainly reasons of high political interest to be urged in support of it. I had just received the Treasury reply. I did not propose to discuss the technical details with M. Vandervelde, but I very briefly indicated that any such proposal implied a new priority by Belgium, that it would call forth a similar demand for anticipation by France and Italy who had equal exchange difficulties, and that to satisfy these demands would involve the creation of such a volume of bonds as it would be impossible to market. I learnt, however, from the Treasury that, whilst in their opinion this proposal was quite impracticable, they believed that if M. Francqui would continue his negotiations with the banks on a purely business basis, uncomplicated by political proposals, he could arrive at a solution.

M. Vandervelde replied that both he and M. Francqui had anticipated that this would be our answer. M. Francqui would continue to discuss the matter with the Governor of the Bank,³ who had certainly shown himself sympathetic. He himself would venture to insist once again on the great importance to Belgium that the means of stabilisation should be secured. He understood that Signor Mussolini did not intend to stabilise the lira and that M. Poincaré had no present intention of attempting to stabilise the French franc, but all parties in Belgium were resolved at whatever sacrifice to carry through the stabilisation of the Belgian franc.

M. Vandervelde told me that the compromise which Sir Cecil Hurst and M. Fromageot had evolved for the protection of the Saar railways was quite acceptable to him.⁴ He added that he had been somewhat severely reproached in Paris for having declined to accept the opinion of the Belgian member of the Commission and for having supported the British point of view.

I am, &c.,

(For the Secretary of State)

G. H. VILLIERS

³ Mr. Montagu Norman, Governor of the Bank of England.

⁴ See No. 267.

No. 196

*Letter from M. Paul-Boncour to Viscount Cecil*¹

[W 8952/78/98]

Copie

GENÈVE, le 7 Septembre 1926

Mon cher ami,

En réponse à votre demande d'éclaircissements sur les propositions et le mémorandum que j'ai présentés à la Commission préparatoire au mois de Mai dernier,² je m'empresse de vous faire parvenir l'aide-mémoire ci-joint.

Sincèrement à vous

P. BONCOUR

¹ This copy was received in the Foreign Office on September 18 under cover of Geneva despatch No. 58 L.N.C.C. (not preserved in Foreign Office archives).

² See No. 187.

*Aide-Mémoire**Copie*

GENÈVE, le 6 Septembre 1926

Après une étude approfondie du mémorandum présenté par M. Paul-Boncour à l'appui des propositions faites par le Délégué de la France à La Commission préparatoire de la Conférence du Désarmement concernant la mise en application de l'article 16 du Pacte de la Société des Nations, le Gouvernement de l'Empire britannique a bien voulu demander quelques éclaircissements sur certains de ces documents.

Le Gouvernement de la République française espère que l'Aide-mémoire, inclus [*sic*] dans la présente lettre, apportera toute la lumière désirable et toute satisfaction aux légitimes préoccupations du Gouvernement de Sa Majesté.

I—*Amélioration des transmissions télégraphiques et radiotélégraphiques avec Genève*—

Ainsi que le mémorandum du Gouvernement britannique le met en lumière, cette question fait l'objet d'études actuellement en cours. Il est désirable que ces études aboutissent dans un bref délai à des résultats concrets.

Dans cet esprit, le Gouvernement de la République suggère que l'amélioration des transmissions télégraphiques et radiotélégraphiques portent principalement sur les relations :

1° de Genève avec les diverses capitales

2° de Genève avec les Commissions d'enquête qui seraient détachées éventuellement par le Conseil de la S[ociété] D[es] N[at]ions et d'une manière générale avec tous les organismes dépendant à un titre quelconque de la S.D.N.

Il y aurait lieu de prévoir à ce sujet des dispositions spéciales de manière à permettre au Conseil de la S.D.N. de doter de moyens de transmission particulièrement rapides les organes d'enquête qu'ils pourraient éventuellement avoir à utiliser.

II—*Remplacement automatique des Membres du Conseil.*

Il ne s'agit pas de remplacement obligatoire. Le mode de remplacement suggéré par le mémorandum ne l'a été qu'à titre d'exemple et pour montrer à quelles hypothèses pratiques on pouvait avoir à faire face.

Il est évident que chaque Gouvernement doit garder pleine liberté pour choisir ses représentants. Mais il peut être utile de suggérer aux Gouvernements les mesures pratiques qu'ils pourraient prendre dans les cas urgents pour permettre aux représentants de tous les Etats membres du Conseil d'être à même de siéger immédiatement quel que soit l'état de trouble des communications qui peut résulter des hostilités déjà engagées en un point vital de l'Europe.

III—*Recherche des éléments de décision*—

Ceci est plus important. Les 'organes chargés de procéder à des enquêtes' dont il est question dans le mémorandum pourraient être instaurés en s'in-

spirant des décisions prises par Le Conseil concernant l'exercice de son droit d'investigation. (séance du 27 Septembre 1924 et du 14 Mars 1925.)³

Dans cet esprit il y aurait lieu de prévoir les conditions de fonctionnement de ces organismes. Il pourrait être bon d'utiliser l'expérience qu'a fourni à ce sujet l'incident de frontière gréco-bulgare de l'hiver dernier.⁴ Il paraît en effet évident qu'il y a tout intérêt à ne pas recourir à des solutions improvisées. Sans restreindre en aucune façon la liberté d'action du Conseil, il serait utile de mettre à la disposition de celui-ci, pour être utilisés *à partir du moment où il a pris sa dé[c]ision*, une série de procédés soigneusement étudiés à l'avance en ce qui concerne la mise en route et les moyens mis à la disposition des enquêteurs, qu'ils soient choisis parmi les attachés militaires ou suivant toute autre méthode.

Suivant l'opinion du Gouvernement français il s'agit donc :

- a) d'étudier la composition possible des Commissions d'enquête;
- b) d'établir à l'avance une liste des personnalités dont la compétence et l'impartialité ne puissent prêter à discussion
- et c) d'examiner les règles d'après lesquelles pourraient fonctionner ces Commissions.

Cette étude est utile si l'on veut obtenir le maximum de rapidité, qu'il est certainement indispensable de réaliser étant donné les hypothèses qui font l'objet des préoccupations du mémorandum français.

IV—*Elaboration des décisions du Conseil*—

Il y a lieu de distinguer d'une part les décisions prises par le Conseil d'imposer un armistice, et d'autre part la désignation de l'agresseur. Ce sont deux questions tout à fait indépendantes l'une de l'autre. L'une est très simple, l'autre peut être très complexe. Quel que soit l'agresseur, et *pour avoir le temps de le déterminer, il faut d'abord arrêter les hostilités*. Il y a à cette obligation initiale de l'armistice un très grand avantage pour la paix. Il convient d'en fixer la procédure. Les règles suivies dans les accords de Locarno forment d'ailleurs un utile précédent.

L'établissement de cette procédure initiale laisse intacte celle qui sera suivie après, pour la désignation de l'agresseur, laquelle peut n'être obtenue qu'après de longs délais.

V—*Mise en œuvre de l'assistance militaire*—

Le Conseil de la S.D.N. dispose d'un conseil technique constitué par la Commission permanente consultative. Il y a donc tout intérêt à faire étudier par cette Commission quelle serait pour le Conseil la meilleure procédure à suivre pour formuler ces 'recommandations', en ce qui concerne l'assistance militaire, *recommandations dont aux termes du Pacte, il reste seul juge en statuant à l'unanimité*, ce qui garantit chaque Nation qu'elle ne sera pas engagée

³ See No. 11, note 6, and *League of Nations Official Journal*, April 1925, pp. 489 and 608-11.

⁴ Cf. No. 19, note 6.

d'avance, mais seulement qu'elle aura les moyens d'exécuter rapidement ses engagements, *quand elle les aura pris*.

Cette procédure, une fois admise par le Conseil, ne pourrait d'ailleurs poser que des règles très générales. Les modalités de son application varieraient suivant les cas et, de toute manière, le Conseil resterait seul juge de leur emploi.

VI—*Mise en œuvre de l'assistance économique et financière*—

1° Il n'est pas question et il n'a jamais été question de chercher à égaliser les potentiels de guerre de tous les pays. Il s'agit uniquement pour le Conseil et la Société des Nations d'être en mesure de fournir le cas échéant et le plus rapidement possible à un Etat attaqué les moyens de se défendre avant que son ou ses agresseurs aient eu le temps de mettre en œuvre le potentiel économique et financier dont ils disposent.

Pour atteindre ce but il serait nécessaire de faire recueillir par les organisations techniques de la S.D.N. toute documentation utile et d'envisager les procédés suivant lesquels l'assistance, *une fois décidée par le Conseil*, pourraient être exercés [*sic*].

Il ne s'agit pas là d'une enquête préalable à la réunion d'une Conférence de désarmement qui pourrait retarder celle-ci plus que de raison. Il s'agit de savoir si les Etats sont d'accord pour rendre efficace l'assistance économique et financière en permettant aux organisations techniques de la S.D.N. :

a) d'être habilités à recevoir les demandes des Etats qui redoutent d'être privés en cas d'agression des moyens matériels essentiels à leur défense.

b) d'étudier et de fixer les moyens de leur faire parvenir en temps utile les ressources demandées en s'adressant pour les fournir, *le jour où le Conseil en aura ainsi décidé* aux Etats qui peuvent en disposer.

2° Le mémorandum français ne comporte aucune référence aux sanctions à prendre éventuellement, car le but poursuivi pour le moment est l'organisation de l'assistance. Il ne s'agit donc pas dans ce document d'étudier l'action du Conseil et de la Société des Nations *contre* quelqu'un mais en faveur de quelqu'un. L'étude des sanctions n'en reste pas moins intéressante et le Gouvernement français est tout prêt à participer à cette étude.

En résumé, l'objet que le mémorandum français a en vue est d'obtenir le maximum de rapidité dans l'action en étudiant d'avance les procédés techniques de mise en œuvre et d'exécution des *décisions du Conseil*.

Si, sur tel ou tel point il est reconnu qu'il est impossible de prévoir d'avance l'étendue et les modalités de l'assistance il appartiendra aux Etats intéressés de tenir compte de ces impossibilités dans le bilan de leurs sécurités. C'est dans ce sens que l'étude demandée se lie aux travaux préparatoires du désarmement.

Mr. Ingram¹ (Berlin) to Sir A. Chamberlain (Received September 10)

No. 629 [C 9917/24/18]

BERLIN, September 8, 1926

Sir,

It is perhaps not without significance that the first Sunday² after the withdrawal of the Aeronautical Committee of Guarantee should have seen a giant aeronautical display at the Tempelhofer flying ground in Berlin.

2. The interest taken in the event by the Berlin public was exceptional and scenes comparable only with those which characterised the first Football Cup Final at Wembley some 2 years ago were witnessed. Over 200,000 spectators are reported to have gathered at the flying ground where the officials responsible for marshalling the concourse and the traffic appear completely to have lost their heads. It seems that this was the first demonstration of 'sport' flying on a large scale to be held on the Tempelhofer ground, previous demonstrations having been held at a spot more inaccessible to the general Berlin public. The ex-Crown Prince was also present incognito.

3. I am informed by a British air officer, who witnessed the afternoon's performance, that from the technical point of view there was nothing new in the various 'stunts' executed. There was, however, one feature which was out of the ordinary, namely, a flight made in the windmill-machine³ of the Spaniard de la Cierva by the English aviator Courtney, who had been one of the many victims during the war of the famous German 'Ace' Immelmann. Courtney's performance was the signal for quite unusual enthusiasm, as flattering to the aviator himself as to the sporting instinct of so large a German crowd towards an ex-enemy. One is tempted to wonder whether the enthusiasm would have been as great a year ago.

4. I have ventured to report the above to you, as it offers a useful peg upon which to hang a few remarks on the attitude of the German public towards aviation in general. During the war the feats of the German Air Service were followed by the German public with a well deserved pride and enthusiasm. To the ordinary German with his or her highly developed sentimental proclivities, a member of the air force was almost more of a hero than the member of any other branch of the service. With a stroke of the pen, however, the Treaty of Versailles abolished the German Military and Naval Air Services. The names of the heroes survived but the outward and visible signs of the service were suddenly obliterated. There were to all intents and purposes no more aeroplanes, no more uniforms. If one compares the area of Germany with that of England and realises that there are few places in the latter over which an aeroplane is not to be seen at least once a fortnight or every three weeks (in the South of England they are to be seen almost

¹ First Secretary in charge of H.M. Embassy at Berlin during the temporary absence of Lord D'Abernon.

² September 5, 1926.

³ This description had been substituted for 'helicopter'.

daily), whereas in this country, except along the commercial air routes, the average German goes for long periods without seeing an aeroplane at all, the interest evoked by such periodic displays as that which was witnessed on Sunday is intelligible. Add to this a pinch of native sentimentality fostering the recollections of past achievements in the air, which our own air force would probably be the last to begrudge, and the influence of a skilfully manipulated propaganda by advertisement, then the interest and enthusiasm of the Berlin public is yet more explicable. Nor should it be forgotten that, when the construction of the Eckener⁴ Zeppelin was mooted last year, the funds were for the most part raised by public subscription, at a time when money and savings were scarce. Moreover many towns have either subscribed handsomely to the formation of flying grounds on their outskirts or actually made free gift of the necessary land.

5. The inference I would draw from the above is that it will always be easy in this country to raise enthusiasm, if not funds, for aeronautic development, and that, despite the restrictions imposed by the Treaty of Versailles and Air Agreements of last May, this development and the concomitant propaganda require careful watching, especially in view of what I understand to be the ease with which such development can be converted towards military ends.

I have, &c.,

E. M. B. INGRAM

⁴ A marginal note by Mr. Baxter here read: 'Dr. Eckener is a director of the Zeppelin Co. C. W. B.'

No. 198

*Record by Sir W. Tyrrell of a conversation with the German
Chargé d'Affaires
[C 9896/436/18]*

FOREIGN OFFICE, September 8, 1926

The German Chargé d'Affaires called today and said that his Government had received three notes from the Conference of Ambassadors recently, to which the German Ambassador in Paris had been instructed to reply.¹ This he had done a few days ago in Paris, and M. Dufour expressed the hope that the German reply would be satisfactory to the Ambassadors' Conference.

In communicating, however, these replies to the Ambassadors' Conference, the German Ambassador was instructed to call attention to the German answer with regard to disarmament, in which, in the opinion of his Government, it was clearly proved that the Germans had done their best to expedite the matter. The German Government therefore hoped that the Allies would take immediate steps for the abolition of control in Germany, especially in view of the entry of his country into the League, which had taken place today.

W. T.

¹ For notes recently exchanged between the Conference of Ambassadors and the German Embassy at Paris see Nos. 122, note 3, 178-9, 189, and 199-202.

The Marquess of Crewe (Paris) to Sir A. Chamberlain
(Received September 11)
No. 1719 [C 9950/436/18]

PARIS, September 10, 1926

His Majesty's Representative at Paris presents his compliments to the Secretary of State for Foreign Affairs, and has the honour to transmit herewith copy of the under-mentioned paper *for favour of observations*.

Name and Date.

Subject.

German Embassy, Paris
to
Ambassadors' Conference.
No. 2779. September 6th,
1926.

Military Control in
Germany.

ENCLOSURE IN No. 199

*Note from the German Chargé d'Affaires (Paris) to the President of the
Conference of Ambassadors*

No. 2779

Traduction

PARIS, le 6 septembre 1926

Monsieur le Président,

D'ordre de mon Gouvernement, et en répondant à votre lettre du 17 août — N° 168¹ —, j'ai l'honneur de faire savoir à Votre Excellence ce qui suit:

Votre Excellence a déclaré dans cette lettre que les Gouvernements alliés regrettaient de devoir constater que, par la faute du Gouvernement allemand, dans bien des cas, un retard injustifié s'est produit dans la mise à exécution d'un grand nombre de demandes relatives au désarmement. Le Gouvernement allemand ne peut reconnaître le bien-fondé de cette idée. Depuis la réception de la note collective des Gouvernements alliés, en date du 4 juin 1925,² et d'accord avec les autorités compétentes, il a travaillé sans relâche à un règlement des questions soulevées par ladite Note. Il a continué ce travail, de la même manière, après la conclusion des accords de principe de novembre dernier. On a donc effectivement réussi à en arriver à un règlement définitif de la plupart des points qui étaient encore douteux en juin 1925. Il est permis de rappeler dans cet ordre d'idées, par exemple, le vaste domaine du désarmement industriel et de la livraison du matériel, tous deux complètement terminés.

Si quelques points isolés peuvent encore être considérés aujourd'hui

¹ Enclosure in No. 178.

² See Cmd. 2429 of 1925.

comme n'étant pas complètement achevés, cela vient de ce que, dans quelques cas, l'exécution technique des accords conclus n'a pu, d'après sa nature, être réalisée plus rapidement, et de ce que, dans d'autres cas, il n'a pas été possible d'en arriver à un accord complet avec la Conférence des Ambassadeurs ou la Commission militaire interalliée de contrôle en ce qui concerne le genre des mesures à mettre à exécution et l'interprétation des accords passés. Ce n'est pas au Gouvernement allemand qu'en revient la faute. Au contraire, celui-ci a présenté, aussi dans les derniers cas susmentionnés, des propositions à la Conférence des Ambassadeurs ou à la Commission militaire interalliée de contrôle, et cela aussi vite que le lui a permis la nature des questions à traiter, et ces propositions tiennent compte entièrement, d'après les vues allemandes, des points de vue de droit et de fait. Dans cet ordre d'idées, le Gouvernement allemand doit, à son grand regret, attirer l'attention sur le fait que c'est la Conférence des Ambassadeurs et la Commission militaire interalliée de contrôle qui ont retardé le règlement définitif de ces questions en différant leurs décisions pendant des mois. Maintes fois, le Gouvernement allemand n'a reçu une réponse à ses propositions qu'après plusieurs mois, — même 4 ou 5 mois dans certains cas. En outre, le Gouvernement doit faire remarquer, qu'on ne lui a pas toujours montré la compréhension à laquelle il croyait pouvoir s'attendre, et qu'après coup, des demandes lui ont encore été adressées dont l'importance réelle est minime; à vrai dire, mais dont le bien-fondé est, à tout le moins, douteux au point de vue du droit et dont la mise à exécution rencontre de grandes difficultés par suite du travail minutieux qu'elles nécessitent et qui fait perdre beaucoup de temps.

Le Gouvernement considère comme son devoir de déclarer qu'à son avis, toute la question du désarmement de l'Allemagne est, en fait, déjà matériellement liquidée. Le petit nombre de questions qui ne sont pas encore réglées touchent ou bien des demandes sur lesquelles le point de vue juridique de l'Allemagne diffère de celui des Gouvernements alliés, ou bien il s'agit de divergences sur des questions de forme sans importance matérielle.

Le Gouvernement allemand donne encore une fois l'assurance qu'il est néanmoins prêt à faire tout ce qui est en son pouvoir pour en arriver le plus tôt possible à un accord sur le petit nombre de divergences qui subsistent encore. En cela, et comme il l'a toujours fait jusqu'ici, il tiendra et accomplira loyalement et minutieusement les engagements qu'il a pris. C'est pourquoi il croit pouvoir espérer que les Gouvernements alliés s'efforceront, de leur côté, afin que les dernières affaires ne soient plus entravées, et que le contrôle militaire prenne fin à très bref délai.

Veuillez agréer, &c.,
RIETH

No. 200

*The Marquess of Crewe (Paris) to Sir A. Chamberlain
(Received September 11)*

No. 1720 [C 9951/436/18]

PARIS, September 10, 1926

His Majesty's Representative at Paris presents his compliments to the Secretary of State for Foreign Affairs, and has the honour to transmit herewith copy of the under-mentioned paper.

Name and Date.

German Embassy, Paris,

to

Ambassadors' Conference.

No. 2780. September 6th,
1926.

Subject.

German military establishments.

ENCLOSURE IN NO. 200

*Note from the German Chargé d'Affaires in Paris to the President of the
Conference of Ambassadors*

No. 2780

Traduction

PARIS, le 6 septembre 1926

Monsieur le Président,

En réponse à votre lettre du 27 août¹ relative aux établissements de l'armée allemande en excédent, j'ai l'honneur de faire savoir à Votre Excellence, d'ordre de mon Gouvernement, ce qui suit :

Les documents promis dans ma lettre — N° A 1-802 — en date du 12 mars dernier,² ont été transmis, le 29 avril dernier, à la Commission Militaire Interalliée de Contrôle. Comme ces documents n'ont été recueillis qu'après que la Commission militaire interalliée de contrôle en eut exprimé le désir en février dernier, il n'a pas été possible de transmettre plus tôt cette documentation très volumineuse. Les listes très détaillées, traitant isolément les divers blocs d'édifices, et qui ont été remises le 29 avril dernier à la Commission Militaire Interalliée de Contrôle, comptaient plus de 600 pages. Dans ces listes est indiquée exactement l'affectation actuelle de chaque bâtiment. Dans le cas où certains bâtiments ne sont pas encore utilisés, il est indiqué chaque fois à quel but ces bâtiments sont destinés. Mais, en réalité, la plupart de ces bâtiments sont déjà employés à d'autres buts, de sorte que le nombre de ceux qui restent vides est relativement très petit. Il est extrêmement difficile, à l'heure actuelle, de vendre tous les bâtiments qui ne sont pas encore employés à d'autres buts ou la plupart d'entre eux, parce que les métiers et l'industrie, par suite du système de rationalisation, concentrent, d'une part, leur exploitation et ferment en partie leurs fabriques et qu'en outre la situation économique est caractérisée, dans son ensemble, par le

¹ Enclosure in No. 189.

² Untraced in Foreign Office archives.

chômage permanent, de sorte que le domaine économique n'a pas d'emploi pour des bâtiments de si grandes dimensions et, en outre, les différents intéressés qui entrent en ligne de compte ne pourraient pas en général mobiliser les capitaux nécessaires même pour des prix de vente modiques.

Etant donné cette situation, le Gouvernement allemand était persuadé que l'affaire a été liquidée par la remise de la liste, le 29 avril dernier. Il a été confirmé dans cette idée par le fait que la Commission Militaire Interalliée de Contrôle n'a plus eu de demandes plus étendues à lui faire et que depuis le 29 avril — donc, depuis 4 mois —, elle ne lui a adressé aucune contestation, ni orale, ni par écrit.

En vérité, le Gouvernement allemand n'a aucune possibilité d'apporter un changement immédiat dans la situation telle qu'elle a été jusqu'ici, vu que la destruction des bâtiments en question (anciennes casernes, écuries, hangars), qui ne diffèrent aucunement des bâtiments construits uniquement pour des buts de paix, ne peut pas être prise en considération. Si la situation économique s'améliore, le Gouvernement allemand essaiera, cependant, dans son propre intérêt financier et en dépit des difficultés mentionnées, de vendre les bâtiments qui n'ont pas encore trouvé un autre emploi.

Veuillez agréer, &c.,

RIETH

No. 201

The Marquess of Crewe (Paris) to Sir A. Chamberlain
(Received September 11)

No. 1721 [C 9952/436/18]

PARIS, September 10, 1926

His Majesty's Representative at Paris presents his compliments to the Secretary of State for Foreign Affairs, and has the honour to transmit herewith copy of the under-mentioned paper for the favour of observations.

Name and Date.

Subject.

German Embassy, Paris

to

Illegal recruiting in the German Army.

Ambassadors' Conference,
No. 2778. September 6th,
1926.

ENCLOSURE IN NO. 201

*Note from the German Chargé d'Affaires in Paris to the President of the
Conference of Ambassadors*

No. 2778

PARIS, le 6 septembre, 1926

Monsieur le Président,

D'ordre de mon Gouvernement et en répondant à votre lettre du 17 août¹ — N° 167 —, j'ai l'honneur de faire savoir à Votre Excellence ce qui suit:

¹ See No. 122, note 3.

Comme je l'ai déclaré dans ma lettre relative à la question des associations, l'ordonnance du Reichspräsident en date du 24 mai 1921 sera abrogée, pour éviter toute apparence d'incertitude dans la législation allemande. Ainsi sont dissipés les doutes de la Conférence des Ambassadeurs résultant de cette ordonnance en ce qui concerne le recrutement de l'armée et la préparation de cadres de réserve.

Eu égard au fait que la Conférence des Ambassadeurs a exprimé, en outre, un doute au sujet de la question de savoir si la circulaire du Ministre de la Reichswehr, en date du 3 mai dernier, garantit suffisamment l'empêchement apporté à toute incorporation illégale dans la Reichswehr, le Gouvernement allemand a l'intention, en admettant que cette ³ sera réglée ainsi d'une manière définitive, de proposer à M. le Président du Reich de promulguer le décret, dont copie ci-jointe,⁴ qui sera publié après sa signature. Toute atteinte portée à cette ordonnance tombera sous le coup des pénalités prévues par la loi.

Veillez agréer, &c.,
RIETH

³ See No. 202.

³ Thus on filed copy.

⁴ Not printed. The annexed translation stated in particular: 'Il est interdit: (a) de recevoir dans les casernes, camps d'instruction et corps de troupe, des jeunes gens qui ne sont pas légalement incorporés, et cela soit à l'essai ou en vue de places vacantes, soit pour un cours d'instruction ou pour augmenter temporairement les effectifs, (b) de préparer et d'instruire des cadres de réserve en général, ainsi que des officiers de réserve en particulier.'

No. 202

The Marquess of Crewe (Paris) to Sir A. Chamberlain
(Received September 11)

No. 1722 [C 9953/436/18]

PARIS, September 10, 1926

His Majesty's Representative at Paris presents his compliments to the Secretary of State for Foreign Affairs, and has the honour to transmit herewith copy of the under-mentioned paper *for favour of observations*.¹

Name and Date.

Subject.

German Embassy, Paris

to

German military associations.

Ambassadors' Conference.

No. 2777. September 6th,
1926.

¹ Foreign Office despatch No. 2705 of September 22 (not preserved in Foreign Office archives) transmitted to Paris a letter of September 21 to the War Office in which Mr. Sargent referred to the present German note and to those in Nos. 199-201 and stated Sir A. Chamberlain's views as follows: 'Consideration of these notes offers a suitable occasion for revising once more the position as regards military control with the object of securing at the earliest possible date the withdrawal from Berlin of the Military Control Commission.'

There can, in his opinion, be no doubt that from the political point of view the continued activities of this purely Allied commission in Germany, besides being a continual source of friction and an obstacle to the policy of mutual reconciliation instituted at Locarno, are no longer in keeping with Germany's new position as a permanent member of the Council, and should now be replaced by the System of League supervision provided for in article 213 of that they the Treaty of Versailles.

'2. As shown in the letter from this Department of the 13th instant [not printed: cf. No. 198], the German Chargé d'Affaires has raised this point on instructions from his Government, and has urged that the time has come for the immediate withdrawal of the Commission of Control. While the German Government have no justification for maintaining that they for their part have done their utmost to hasten the settlement of the outstanding questions, it is clear that a new situation has arisen with the entry of Germany into the League of Nations and the coming into force of the Treaty of Locarno, which renders it increasingly necessary for purely political reasons, that His Majesty's Government should use their best endeavours to eliminate the various causes which are still delaying the withdrawal of the commission. These causes are due at present to the failure of the German Government to carry out in their entirety, or at any rate to the satisfaction of the Commission of Control, the requirements of the Allied Governments as laid down in the note from the Ambassadors' Conference of the 4th June, 1925. But there is always the danger that the withdrawal may at any time be further delayed by the discovery since the presentation of these demands of fresh infractions of the military clauses which had been considered to have been duly executed.

'3. To guard against this, it is suggested that the rule should be once more reaffirmed that the duty of the Commission of Control is limited to seeing that the time limit clauses are executed and that the task of ensuring that these articles continue to be observed is one entirely for the League of Nations. This rule is essential if there is to be any finality in the Commission of Control's activities. Thus the illegal construction of shelters at Königsberg, dealt with in your letter of the 12th August [see No. 138, note 4] and previous correspondence, however serious, cannot be advanced as a ground for keeping on the Commission of Control, and I am to propose, therefore, that when this question next comes before either the Commission of Control, the Versailles Committee or the Ambassadors' Conference, the British representatives should maintain clearly this point of view.

'4. As regards the German failure to carry out the Allied demands of June 1925, I am to suggest that in considering whether the Commission of Control should be maintained until satisfaction has been given in regard to any given point, the test, as far as His Majesty's Government are concerned, should be not the technical military importance of the Allied demands, but whether the failure of the German Government to conform to the requirements of the Commission of Control would constitute a real and immediate danger to British security.

'5. The principal points on which the German Government have still failed to give complete satisfaction to the ex-Allied Governments would appear to be the seven of which a brief outline was given in the attached Foreign Office memorandum [not printed], i.e., (1) police effectives, (2) the definition of war material, (3) illegal enlistments and the prohibition of the instruction of reserve officers, (4) military associations, (5) the high command, (6) the general staff, and (7) the alienation of unauthorised administrative establishments. Of these, the first two, police and war material, are considered to be of higher importance than the remainder. The Secretary of State is, however, glad to observe from your letter of the 14th September [not printed] that there is reason to hope that an agreement regarding war material will shortly be reached between the Military Control Commission and the German Government, and with respect to the police he was given to understand by Dr. Stresemann at Geneva that, if it were a question of securing the termination of Allied control, the difficulties in the way of a settlement of this point would disappear [cf. No. 204].

'6. Three of the remaining five questions are dealt with in the German notes under reference. The Secretary of State finds it difficult to believe that the points still in dispute are of such real importance as to justify His Majesty's Government in agreeing on their

account to delay the withdrawal of the Commission of Control, and he trusts that the Army Council will be able to advise him that there is no practical object to be gained by discussing them further. In fact, I am to suggest that instructions should be issued to the British representative on the Versailles Committee strongly to oppose any suggestion that the Ambassadors' Conference should be recommended to renew to the German Government their demands for satisfaction on these three matters.

'7. The German note of the 6th September regarding illegal enlistments encloses the draft of a decree which it is proposed to publish on the subject. The Versailles Committee's report of the 27th February last, approved by the Ambassadors' Conference on the 4th March, required the insertion in the existing German legislation (as an addition to the military law, or elsewhere) of a provision for the punishment of anyone organising or taking part in the organisation of any sort of illegal military force. It is true that the German Government, instead of this amendment to their legislation, merely offer to promulgate a decree, but if the terms of this decree are considered adequate, it seems doubtful if it is really necessary to insist on legislation.

'8. The note regarding military associations appears to satisfy to a certain extent the demands put forward in the Ambassadors' Conference note of the 17th August, and it is more than doubtful if further representations to the German Government would achieve their object, or, indeed, do more than stimulate the patriotic ardour of the very societies which they are designed to repress. It is idle to expect that the activities of the German associations may be ended by such methods. Moreover, as already pointed out in paragraph 3, there is considerable force in the argument that once the German Government have passed the necessary legislation it is not for the Control Commission to supervise its application and continued observance.

'9. Again, the reasons advanced by the German Government for considering the wholesale alienation of military establishments as a practical impossibility in present circumstances are convincing, and there seems no reason to continue what must evidently be an unprofitable controversy on this matter.

'10. There remain the two questions of the high command and the general staff, and I am to request a brief statement showing the present position of these negotiations. The Secretary of State would, at the same time, be glad to learn the views of the Army Council on the relative importance, from the military point of view, of any other disarmament questions which remain unsettled.

'11. But whatever purely technical importance may be attached to the settlement of these and any other outstanding points, the Secretary of State feels that only the most powerful arguments of national security can justify His Majesty's Government in treating them as grounds for the further retention of the Control Commission. So long ago as March 1923, the Under-Secretary of State for War stated in Parliament [see *Parl. Debs.*, 5th ser., *H. of C.*, vol. 161, col. 2746] that the reductions in the German army contemplated by the treaty, both in respect of men and material, had been so carried out as to constitute effective disarmament. The disarmament of Germany is to-day even more complete. It will, no doubt, always be possible, if excessive attention be paid to matters of detail, to discover instances where the military clauses of the treaty have not been completely executed or are no longer being strictly observed. But as already explained, the time has come when it is necessary to refrain from the pursuit of matters of detail, in order to survey the position in its broadest outlines. And the main fact is clear. Germany is effectively disarmed. Allied control has served its purpose and can no longer be justified before public opinion.

'12. The Secretary of State fully realises that it may be difficult to obtain the consent of the French and Belgian Governments to the immediate withdrawal of the Control Commission without attempting at the same time to secure the settlement of those outstanding questions which they insist on considering vital. He hopes, however, that the recent exchange of views at Geneva between M. Briand and Dr. Stresemann may facilitate the further steps to be taken by the Allied Governments toward a complete liquidation of the whole control question. But if a settlement fails to materialise in the near future, it will become a matter for consideration whether His Majesty's Government should not formally

*Note from the German Chargé d'Affaires in Paris to the President of the Conference of Ambassadors**No. 2777*

PARIS, le 6 Septembre 1926

Traduction

Monsieur le Président,

En réponse à votre lettre du 17 Août, N^o 169,² j'ai l'honneur de faire savoir à Votre Excellence, au nom de mon Gouvernement, ce qui suit:

La demande exprimée dans la partie V, al[inéa] c. de la note collective en date du 4 Juin 1926 [1925], des Gouvernements alliés a été réglée par l'accord conclu le 16 Novembre 1925 entre le Secrétaire Général de la Conférence des Ambassadeurs et le Représentant du Gouvernement allemand. Le Gouvernement allemand a rempli l'engagement qui résultait pour lui de cet accord, en édictant le 12 Février dernier une ordonnance d'application relative à la loi sur l'exécution des articles 177 et 178 du Traité de Versailles. Le Gouvernement allemand prend sur lui la pleine et entière garantie que la législation allemande sera appliquée sans aucune restriction. Il ne peut reconnaître à la Commission militaire interalliée de contrôle le droit de contrôler pour sa part la mise à exécution de ladite ordonnance.

Pour préciser que l'Ordonnance du 12 Février est appliquée dans toute son étendue, je me permets d'envoyer comme annexe circulaire, datée du 6 Mai 1926 — P 3019 — et adressée par le Ministre de l'Intérieur aux Gouvernements des Pays ainsi qu'un tableau des mesures qui, par la suite ont été prises par les Gouvernements des Pays.³ D'ailleurs, des associations qui ont contrevenu aux prescriptions en vigueur ont déjà été dissoutes. Pour éviter même l'apparence d'un manque de clarté dans la législation allemande, l'ordonnance du Reichspräsident, en date du 24 Mai 1921, sera abrogée et le décret d'abrogation sera prochainement publié dans le Reichsgesetzblatt.

Après les opérations de désarmement, exécutées très rigoureusement par le Gouvernement allemand depuis des années, dans l'intérêt même de l'ordre et de la tranquillité à l'intérieur du Pays, il est impossible que les associations disposent encore d'armes en nombre quelque peu appréciable. Si, comme la Conférence des Ambassadeurs en a fait l'allusion, il y avait des déclarations contraires, celles-ci ne correspondraient pas aux faits; en particulier,

propose to the Ambassadors' Conference that the commission should nevertheless be withdrawn, and that any uncompleted technical negotiations to which the French and Belgians attach importance should be continued by the Versailles Committee in Paris in conjunction with representatives of the German Government specially sent for the purpose from Berlin.'

The reply of October 13 from the War Office is not printed.

² Enclosure in No. 179.

³ Not printed. Also annexed were translations of a letter of July 20 from the Prussian Minister of the Interior to local government authorities and of a letter of August 12 from the Bavarian Minister of State for the Interior to the Prefect of Police at Munich and the Director of Police at Nuremberg.

des nouvelles éventuelles de ce genre, publiées par la presse et les allégations basées sur ces nouvelles, ne peuvent être considérées comme faisant autorité. Le Gouvernement allemand continue, à cet égard à surveiller les associations avec la plus grande attention. Si par hasard, des armes se trouvent encore çà et là, elles seront confisquées et détruites conformément aux prescriptions de la loi du 22 Mars 1921 sur l'exécution des articles 177, 178 du Traité de Paix.

Veuillez agréer, &c.,
RIETH

No. 203

Letter from Sir A. Chamberlain (Geneva) to Sir W. Tyrrell
[F.O. 800/259]

GENEVA, September 10, 1926

My dear Tyrrell,

A breeze from Locarno blew through the stuffy hall of the Assembly this morning¹ and I recovered something of the thoughts and emotions of those happy days. Everything passed off as I would have wished. The Germans were well received on their entry but not too boisterously. Nintchitch spoke briefly and well when welcoming them in his capacity as President of the Assembly. Then Stresemann read a speech in which there was nothing to criticise and much to applaud warmly. He was greeted with much applause, both on entering the tribune and on leaving; quite sufficient to mark a very cordial welcome and yet not sufficient to make of it a pro-German demonstration. Briand followed, and the honours of the morning rested with him. He spoke with great eloquence and great feeling. He was broadminded, generous, persuasive and moving, and as he turned on more than one occasion to address the Germans personally the scene became dramatic. He had a tremendous ovation on resuming his seat. Sir George Foster² rose and started cheering and the whole Assembly applauded, I suppose, for two minutes. This was, for me, a perfect conclusion. I had been a little afraid that the welcome of the Germans would be too effusive and would be allowed to eclipse what was owing to old friends, but Briand not only showed the spirit of France at its best and laid before the Assembly the soul that animates the new French policy but he judiciously flattered the Assembly by assuring them that if private sittings and partial conferences had sometimes been necessary hitherto, henceforth all would be done in public and with the co-operation of the League. I could not but admire the skill of this part of his address but of course what interested me most and touched me was the restatement, in public and before the assembled nations, of the spirit and pledges of Locarno.

¹ For the record of the meeting of the Assembly of the League of Nations on September 10 when the German Delegation took their seats see *League of Nations Official Journal, Special Supplement No. 44*, pp. 50-55.

² Chief Canadian Delegate to the Assembly.

Thank Heaven the advice of the Bureau was taken and the discussion stopped there, and did not gradually peter out in a long succession of speeches which would have ended by being less a welcome to the Germans than an advertisement of ourselves. The sitting of the Assembly was followed by a luncheon offered to the Council by the International Press, for which the cartoonist of Locarno³ produced another of his amusing menus. Stresemann spoke again and spoke well. I have since received representatives of the German newspapers and said a few words to them which were well received, but what most impressed Selby⁴ and indeed was remarkable, is the fact that when I told them that if they wished to ask me any questions they were at liberty to do so on condition that I might reserve my liberty to refuse an answer, they wholly refrained. Selby flatters me by saying that I have taught them tact. That is too much to hope, but at least we may congratulate ourselves that all has passed so well and that British policy is fully justified by the results which it has produced. I used my opportunity to warn them against exaggerated expectations and to say once again how long was the road which we had yet to travel and how many the difficulties that we should meet in our path.

Even now we are again involved in petty jealousies and squabbles. We, meaning Cecil and I, had suggested that of the nine seats on the Council to which elections had to be made, the three which carry a mandate of one year only should be filled by three retiring members of the Council, Belgium, Sweden and Uruguay; that Spain and Poland should be elected to two year seats with re-eligibility, the third seat in this category being filled by another South American power, and that the newcomers on the Council, Roumania, South America and an Asiatic state, who would not be re-eligible, should have the three seats which carried a three years' mandate. Briand pleaded that three year mandates should be given to Spain and Poland. We suggested that that would be unsatisfactory to Roumania, who would sit at the Council table for only two years and then be ineligible for three. But Briand assured us that Roumania would make no difficulty. His optimism was soon disproved. Titulesco⁵ protested vehemently to Bob Cecil, and Bob and I became alarmed lest the Roumanians, working underground, should with the aid of the Scandinavian powers who cannot be expected to vote re-eligibility for ever, secure sufficient abstentions to prevent Poland from obtaining the necessary two-thirds' majority. Incidentally, I may add, that scamp Loucheur (though this I have learnt only in the greatest confidence and it must not be repeated) had told the Roumanians that it was we who objected to their having a three year seat. I accordingly saw Briand again. I told him of the danger in which, as I thought, Poland stood of losing everything by asking too much, and I strongly urged him to press the Poles again. He admitted to me that it was practically impossible for him to do so of his own motion. In order to drag from them their assent to abandon their claim

³ Cf. *Les Papiers de Stresemann, op. cit.*, vol. ii, facing p. 240.

⁴ Mr. W. Selby, Principal Private Secretary to Sir A. Chamberlain.

⁵ Roumanian Minister in London and a Delegate to the League of Nations.

to a permanent seat he had pledged himself to support their claim to a mandate for three years. He accordingly asked me to speak to the Polish Foreign Minister. I had a long talk with him yesterday evening. He at first declared that it was absolutely impossible; he said that Skrzynski had, to the last, informed the Polish deputies that the claim of Poland was only adjourned and not defeated; that it had fallen to him to abandon it; that he found himself between two fires—black conservatives on the one hand, who hated the League and all its works and lean like the German nationalists to Russia, and Pilsudski and his friends on the other who, if he spoke to him about the League, told him not to trouble him with such fancies, that he cared nothing for it and snapped his fingers at it. However, the Minister himself is more sensible. When I began to argue he said I need not preach to the converted, but he was in a very difficult position and must consider what was best to be done. Naturally his first act would be to speak to the Roumanian Foreign Minister and see exactly where he stood with his ally. What the outcome will be I do not know. Some of the smaller powers, especially the Scandinavian ones, show a great jealousy about anything on which the great powers have agreed, but I believe that somehow we shall carry through the bargain which was in fact embodied in Cecil's proposals as modified by the Committee and that all will go well.⁶

Selby showed me your letter⁷ and the article in the 'Manchester Guardian'. It is very wrong-headed and mischievous but I have not thought it well to say anything to Hamilton myself. Steward⁸ has, however, spoken to him and I gave the article to Bob and asked him if he thought fit to send for Hamilton and try and drive a little sense into him. I constantly smile to myself to think what an outburst there would have been if I had ventured to suggest to the Assembly, as Bob I am glad to say did do yesterday, that the League should get on with its own business and not meddle with the domestic affairs of its component parts.⁹ Coming from Bob it caused mild surprise and even a slight shock. Coming from me it would have drawn upon my devoted head

⁶ Sir A. Chamberlain subsequently stated in Geneva telegram No. 185 of September 15: 'First committee [of Assembly] yesterday approved unanimously text of rules for election of non-permanent members of council. These, although in a new form, give effect to all principles already agreed to as shown in delegations memorandum of February [*sic*]. Committee however decided that voting should not count in computing total number of votes of which two-thirds were required for declaration of re-eligibility and decided to restore rule three of May scheme giving assembly the power at any time to replace elected members.' For the ensuing resolution of the Assembly of the League of Nations on September 15 adopting these rules see *League of Nations Official Journal, Special Supplement No. 44*, pp. 79–80. See *ibid.*, pp. 81–84, for the election, on September 16, of Poland, Chile, and Roumania as members of the Council for three years, of Colombia, the Netherlands, and China for two years, and of Belgium, Salvador, and Czechoslovakia for one year, and also for the declaration of Poland's re-eligibility for election.

⁷ This letter of September 8 is not printed. It referred in particular to a letter from the correspondent in Geneva of the *Manchester Guardian*. For articles regarding the proceedings of the League of Nations see especially the *Manchester Guardian* of September 6 and 7, 1926.

⁸ Mr. G. F. Steward, Press Officer in H.M. Embassy at Brussels.

⁹ For Lord Cecil's remarks see *League of Nations Official Journal, Special Supplement No. 44*, pp. 47–48.

the denunciations of all the League of Nations members. It will remain true for all time that one man may steal a horse while another may not look over the hedge.

I am staying on in order to attend the first meeting of the newly elected Council but I am fretting at the delay. I hope that by Wednesday¹⁰ I may be free and, if so, I shall leave at once to join Warden Chilcott's¹¹ yacht.

Yours sincerely,

AUSTEN CHAMBERLAIN

¹⁰ September 15, 1926.

¹¹ Sir W. Chilcott was Member of Parliament for the Walton Division of Liverpool.

CHAPTER II

Reactions to the Briand–Stresemann conversation at Thoiry: the Italian–Albanian Treaty of Tirana: decision to withdraw the Inter-Allied Military Commission of Control from Germany September 12–December 12, 1926

No. 204

Sir A. Chamberlain (Geneva) to Sir W. Tyrrell (Received September 14)
*No. 43 L.N.C. [C 10060/10060/18]**

GENEVA, *September 12, 1926*

Sir,

Dr. Stresemann spent an hour and a half in conversation with me yesterday evening. He spoke first of the events of the historic sitting of the Assembly which witnessed the entry of Germany. He had evidently been pleased and moved by M. Briand's eloquent speech and not less evidently impressed by the corporate feeling of the Assembly. He spoke to me with confidence of the position in Germany, where he said 90 per cent. of the people now recognised that the Locarno policy was the right and only policy for Germany and were determined to maintain it. Even within the Nationalist party a division had declared itself and a large section, including the high nobility and the whole mass of the Industrialists, had perceived the folly of the course pursued by Count Westarp¹ and of the conjunction with the Communists which it had brought in its train. He was therefore serenely confident that his policy had triumphed in Germany and that the German people were securely with him in its support.

2. Dr. Stresemann told me that he had already had a long conversation with M. Vandervelde, who returned yesterday to Brussels. He had also had a preliminary conversation with M. Briand, and they proposed about the middle of this week to seek some sheltered spot where, unobserved by the representatives of the press, they could examine thoroughly and over the widest field the difficult problems which still remained to be confronted. He said that he hoped to come to some arrangement about the Saar, the termination of control, the future of the Dawes plan and the numbers of the armies of occupation. In regard to the last point he observed that as by far

¹ Leader of the German National People's Party. For his opposition to the Locarno agreements, cf. Volume I, Chapter I.

the largest body of these troops were French, it was really a Franco-German question, and he trusted that I should have no objection to his taking it up directly with M. Briand. To economic co-operation he looked as one of the great factors making for peace, and he trusted that it would be possible to reach agreement between the heavy industries of the two countries. Why the English industries were unwilling to co-operate, he did not know.² He could only regret the fact. He broadly indicated the question in regard to the Dawes annuities which he thought ripe for discussion, but I must confess that I did not recognise the German word which he employed, and when I asked him for its English equivalent he found some difficulty in suggesting one and at last offered me a word which evidently did not correspond to the German, for it made the sentence unintelligible.

3. In reply I told him that I had long wished to see such an exploration of outstanding questions undertaken by M. Briand and himself. M. Briand in March and again in June³ had told me that he hoped to find some opportunity as soon as the French Parliamentary session ended to discuss these issues with Dr. Stresemann and I myself had always felt that that was the most promising method of reaching agreement, for if each point were dealt with separately there was not room for any compromise, whereas if the field were surveyed as a whole a concession by one party in one sphere might be met by a concession from the other party in another sphere. He might rest assured, therefore, that I viewed these Franco-German conversations without a trace of jealousy or suspicion and with the warmest wish for their success. Turning to the particular points which he had mentioned, I said that I was not equipped technically to discuss the future of the Dawes arrangements. All that I would say upon this subject was that I felt certain that the Treasury and the British Government would give a friendly consideration to any proposals which the French and German negotiators agreed to submit to us. I must, however, warn him at the outset that it would be impossible for us to consent to anything in the nature of a new preference for Belgium or for France.

4. I then explained that I had had some conversation with M. Briand about the Saar. I had been working for the withdrawal of the French troops, and, as he was of course aware, reductions had already been made in their numbers. He asked me what the number now was. I told him that I could not say exactly, but I believed that it was between 2,000 and 3,000. I continued that after a careful study of the question and an examination of the railway map of the territory, I had become convinced that some armed force, perhaps in the nature of a military police, would be required if the French troops were withdrawn, both to protect the railway in case of any grave industrial trouble and to secure that the passage of the large bodies of French troops who went through to Paris on leave, sometimes unaccompanied by any officers, led to no contretemps between them and the inhabitants. Dr. Stresemann replied that the objection urged upon him by German opinion was that the treaty⁴ gave us no right to place an army in the Saar.

² Cf. No. 244.

³ Cf. No. 53, paragraph 6.

⁴ Of Versailles.

I said that I was fully alive to the force of this objection, and that what I contemplated was something in strict conformity with the treaty. Sir Cecil Hurst and M. Fromageot had worked out such a plan, which in broad outline would provide a force of something under 1,000 men, who would be placed not under the orders of the general commanding the occupied territory but of the commission, subject to the supreme control of the Council of the League.⁵ With his permission I would ask Sir Cecil Hurst, who would associate M. Fromageot with himself, to explain the legal aspect of this plan to Herr Gaus. Dr. Stresemann enquired whether it was necessary that this force should be French. I replied that it need not be exclusively French if a mixed force was preferred by Germany.

5. Turning next to the question of numbers, in regard to which he begged me to employ my good offices with the French, I told him frankly that I was not happy about the present position of the ex-Allies *vis-à-vis* Germany in this matter. I had continually impressed upon M. Briand the necessity for further reduction. I had even allowed my own mind to dwell upon the possibility of withdrawing the British army, though I had not consulted my Government on the subject and did not know whether they would in any circumstances have consented. But I had come to the conclusion that it was impossible to leave a British representative on the Rhineland Commission unless his authority was supported by the presence of a reasonable contingent of British troops, and I imagined that the German Government themselves would not desire to see the commission become an exclusively French or Franco-Belgian body.

6. Dr. Stresemann then observed that Lord D'Abernon's recent communications had shown him that I was both disappointed and vexed by the attitude of the German authorities in the Rhineland and by the failure of the German Government to fulfil all its obligations in regard to disarmament and other matters. As to this, he had made it his business to see that everything was settled before he left Berlin. There remained only the question of police, and in regard to this he met with almost insuperable opposition from the authorities of the different States of the German Reich. Each State declared that its police force was already at the minimum required for safety and that the reduction must be made elsewhere, and he could make no progress. Finally he had asked them whether they would consent to make the reduction if he could announce to them the termination of the control, and one and all had replied in the affirmative. He was therefore most anxious to secure a settlement of this question and to get the Control Commission withdrawn. As to the demonstrations in the Rhineland, he begged me again to consider his difficulties. The Government of the Reich had no executive power in the different States. He was obliged to act through the State Governments. He had summoned the representatives of all the Governments concerned and had formally declared that he was opposed to any provocative demonstration and to a policy of irritation; but the Rhineland was the playground of Germany. In summer masses of tourists were

⁵ See No. 267.

accustomed to go there, all honeymoons were celebrated there, and when a German got to the Rhineland he could not help singing. Perhaps it was the influence of the Rhine wine, for even the Brandenburger took to song in the Rhineland though it was contrary to his nature and produced a disagreeable noise. Now a Dutch company was running a holiday ship and advertising that the ship's decks were not German territory occupied by foreign armies and that on board everybody could sing what he liked. Then taking a particular illustration, he spoke of the illumination of the Niederwalddenkmal. The district, he said, lived on the holiday traffic. The burgomaster had piteously declared that if he had forbidden the demonstration and lost the traffic, every hotel-keeper, restaurant owner and caterer of every sort would have turned against him. He would have been deposed from the burgomastership if he had not been actually murdered.

7. I told Dr. Stresemann that I appreciated his difficulties. I repeated that I had never doubted his good faith, that I was grateful for the measures he had already taken and that I accepted fully his assurance that he would do his utmost to secure the co-operation of all his colleagues in restraining any indiscretions on the part of the local authorities. I had derived the conviction that as between the troops and the people there would be little difficulty if it were not that certain minor officials desired to make bad blood. Since Locarno I had been most unwilling to deal with these matters by the way of authority, but I could well see from what he had said alike to Lord D'Abernon and to me that we must, in certain circumstances, take the odium of prohibiting a demonstration which was undesirable because the local authorities were not strong enough to take the responsibility upon themselves. Dr. Stresemann added that he had made enquiries and learnt that the General Officer Commanding the British troops had no complaints to make. Dr. Stresemann believed that much of the difficulty in the French occupied area arose from the consequences of the fall of the franc. Formerly, officers and troops had money to spend and sat in the restaurants among the German people. Now they had insufficient to live upon and had nothing to spend on pleasure. The contrast between their enforced economy and privation and the pleasures, simple as they were, of the German population could not but be galling and irritating to them.

I have, &c.,
AUSTEN CHAMBERLAIN

No. 205

Sir A. Chamberlain (Geneva) to Mr. Wingfield (Rome)

*No. 1270 [C 10124/391/90]**

GENEVA, *September 13, 1926*

Sir,

I had a long conversation this evening with M. Grandi, who is returning to Rome to-morrow with General Avarescu [Averescu],¹ in the expectation

¹ Prime Minister of Roumania.

that they will be able to sign at Rome a treaty of friendship and *bon-voisinage* between Italy and Roumania on lines similar to those followed in the treaty which Italy has already signed with Czechoslovakia² and other countries. M. Grandi said that he had wished to inform me of this beforehand.

We then passed in review all the questions which have lately formed the subject of correspondence between our two Governments. Taking Albania first, M. Grandi informed me that he had this morning received from Rome a telegram informing him of the representations which Sir William Tyrrell had made to the Marquis Torretta in regard to the rumours spread by the Italian Minister at Durazzo.³ M. Mussolini had been away from Rome and had only returned on the day on which the attack was made on his life.⁴ M. Grandi had therefore no instructions, but he could confidently say that he was interpreting M. Mussolini's views and intentions when he expressed to me his great regret at the conduct of the Italian representative, and he invited me to accept this declaration as official. This, he continued, was the second 'gaffe' that that gentleman had made, the first being when he had exaggerated and misinterpreted the representations which he had been instructed to make to Ahmed Zogu.

I thanked M. Grandi for what he had said. I told him that our only interests in Albania were the maintenance of peace and our commerce. Our commercial interests were, as he knew, closely associated with Italian interests, whilst as regards peace I rested upon the assurance which I had received in Rome from Senator Contarini in December 1924 that Jugoslavia and Italy had mutually agreed to respect the independence and integrity of Albania.⁵

M. Grandi returned later in the conversation to the subject and again expressed his great regret at the conduct of the Italian Minister.

Still dealing with Albania, M. Grandi said that he wished to offer some explanations about the note which the Marquis Torretta handed to me in London and my reply.⁶ M. Mussolini had been considerably disturbed when he received my reply, for he felt that his representations had been given an

² For the pact of friendship and cordial collaboration between Italy and Roumania signed on September 16 see *British and Foreign State Papers*, vol. 125, pp. 863-5. For the pact of cordial collaboration signed by Italy and Czechoslovakia on July 5, 1924, cf. No. 75, note 3.

³ Foreign Office telegram No. 37 to Durazzo had stated that on September 6 Sir W. Tyrrell had requested Marquis della Torretta to 'do what he could at Rome to moderate zeal of Italian Minister at Durazzo' who had alleged that 'Mr. O'Reilly had been recalled at request of Italian Government'. The Italian Ambassador had expressed 'surprise and indignation': for his account of the conversation see *I Documenti Diplomatici Italiani*, Settime Serie, vol. iv, pp. 315-16. Mr. Seeds subsequently reported in Durazzo despatch No. 188 of October 9 that he and Baron Aloisi had agreed that frankness and friendliness would be an infallible antidote henceforward to possible misunderstandings.

⁴ On September 11 a bomb had been thrown at Signor Mussolini's car in Rome by Signor Lucetti who had previously spent about a year as a refugee in France.

⁵ For this Italian-Serb-Croat-Slovene understanding of June 1924 see *op. cit.*, Settime Serie, vol. iii, p. 146.

⁶ See Nos. 118 and 157 respectively.

appearance which they were never intended to bear. The memorandum which had been addressed to the Italian Ambassador, and which he had handed to me, had really not been drawn up for my eye, and M. Grandi pretty plainly intimated that it had been couched in stronger language than they would have wished to address to me, because they suspected that in making the communication to me the Marquis Torretta would water down whatever he was directed to say. This is not perhaps literally accurate, for my recollection is that the Marquis Torretta was instructed to read the note to me and even to hand me a copy if he thought it desirable, but the Italian Government was right in foreseeing that the Ambassador would be greatly embarrassed by his instructions and that, if left to his own devices, he would give me a very imperfect account of the contents of this note. In any case, what is of interest is that M. Mussolini had evidently been surprised by the effect produced on me by my examination of the note and was anxious to remove the somewhat unpleasant impression which it had created. M. Grandi assured me that M. Mussolini had never intended to suggest any limitation of the movements of British ships in the Adriatic. He had wished only to call attention to the fact that the arrival of our ships at that moment on the Albanian coast had perhaps led to some misunderstanding besides being wilfully misinterpreted not only by Ahmed Zogu but also by the Yugoslav representative; and he assured me of the great desire of M. Mussolini to deal frankly and loyally with the British Government and to co-operate with us.

I expressed my warm appreciation of these sentiments which I entirely shared. I recalled that M. Mussolini, in the very note of which we had spoken, had made an appeal to our personal relations. I should not readily misunderstand him, and I trusted that the relations both personal and national were sufficiently close and friendly to permit us at all times to speak with perfect frankness to one another.

M. Grandi next spoke of the communication which Sir William Tyrrell had made to the Marquis Torretta about the quarrel between the Idrisi and the Imam.⁷ Here again M. Grandi assured me that M. Mussolini had no intention of pursuing an anti-British policy. He desired in all things to be frank and open with us. Italy was, of course, deeply interested in that part of the world on account of her 'poor little colony' of Eritrea, but anything like an opposition to Great Britain was wholly antagonistic to the Duce's ideas.

I told him that it was in this spirit that we had made our communication. We, of course, were also deeply interested in that part of the world as was the Indian Government, and our Colonial Ministry. At a certain moment I had felt that as one party was giving arms to the Imam and the other to the Idrisi, the quarrel between these chiefs was in danger of leading to a serious misunderstanding between ourselves, and I had therefore at once decided to lay the whole position before the Italian Government so that any such misfortune might be avoided.

⁷ See No. 445.

M. Grandi then passed to Tangier. He began by observing that two years ago, when the King of Spain visited Rome, they had had the idea of making the occasion something more than an exchange of royal visits, but after some preliminary conversations it had been found that neither the Spanish Government nor the Italian Government were ready for any agreement at that time. Suddenly and rather unexpectedly the Italian Government had perceived that the moment was opportune for doing so, and they had signed a treaty of friendship⁸ strictly within the terms of the Covenant and in accordance with the peaceful spirit of Locarno. During the negotiations for this treaty the question of Tangier had never been mentioned, and M. Mussolini had been most disagreeably surprised when a week or ten days later he had read the note published by the Spanish Government.⁹ As to the conversations which were now contemplated, he gathered from a telegram forwarded to him this morning from Rome that my idea was that as a first step the French and Spanish Governments should confer together. He would only beg me to remember the position of Italy, to have regard to her prestige, and he added that I was in possession of her proposals which were put forward as a basis for discussion and not as an unalterable whole and in regard to which he was quite certain that, if desirable, modifications could be introduced and an arrangement made. I could not help observing that General Primo de Rivera's diplomacy was of a peculiar kind. Just as he had given no hint of what was in his mind to Signor Mussolini, so he had refrained from saying a word upon the subject to M. Briand when he visited Paris, and that in spite of the fact that I had myself offered, if I could thereby facilitate an arrangement, to meet him in Paris to discuss the question with him and M. Briand. I thought it well to repeat to M. Grandi in broad outline the story with which you are already familiar of how the question was first raised by King Alfonso in London.¹⁰

M. Grandi insisted particularly that there had never been the least foundation for any suggestion that Italy had agreed to a mandate or was likely to consider it. Italy's principal interest, he said, was in securing for Italian subjects in Morocco a treatment which might perhaps form a precedent for their treatment elsewhere on the coast of North Africa, and he gave me every reason to anticipate that when the time came to discuss Tangier we should find the Italian Government reasonable and accommodating.

I told him that I had myself suggested to the Spanish Ambassador the preliminary discussion of some of the issues between France and Spain. My idea was that such a preliminary discussion might remove some difficulties and prepare the question for our consideration. Great Britain would view such a Franco-Spanish conversation without jealousy or suspicion, and I presumed that if Italy was invited to a conference at the same time as Great Britain she would have nothing to complain of on the score of prestige.

Finally, M. Grandi spoke of Italy's attitude to the League of Nations. He opened this question by observing that all the world believed that the Fascist Government controlled the Italian press, which was of course true, but

⁸ See No. 190, note 7.

⁹ See No. 188, note 3.

¹⁰ See No. 92, note 1.

Fascism embraced a great mass of people among whom there were divergences of view. There was a right wing and a left wing; there were wise Fascists and foolish Fascists; and it was not easy to control the latter or to bring them into line. Before he left Rome he had called together the directors of the principal newspapers and had told them that he wished to have no attacks upon the League. He had refused to allow one journalist in particular to come to Geneva, because he had shown himself so hostile to the League in the past, but no sooner had M. Grandi arrived in Geneva than he read in two papers the very kind of attack which he had deprecated. He begged me not to pay too much attention to such outbursts. Indeed, he said he hoped that I would not pay too much attention to occasional phrases in M. Mussolini's popular speeches. He had to ride a powerful and rather restive horse, and at times in such circumstances you must humour the animal and give him his head. He wished that public opinion abroad would judge M. Mussolini by his speeches in the Senate rather than by his speeches in the Forum. He assured me that, seeing M. Mussolini daily as he did, working constantly with him and knowing his real mind and thoughts, M. Mussolini was 'in the spirit of the League,' that he upheld it and desired to co-operate with it, and the fact was indeed proved by the action of Signor Scialoja who always received his instructions personally from M. Mussolini on the eve of his departure for Geneva.

I replied that I at least had never misunderstood M. Mussolini's attitude or attributed undue importance to particular phrases in the speeches which he had delivered to large popular audiences. I had always felt that M. Mussolini was far too good a statesman to underrate the importance of this new factor in diplomacy and international relations. I spoke of the Council and the Assembly, and the impression produced on me by each of them, and particularly of the general impression which must have been produced on everyone present by the remarkable sitting at which the Germans made their entry. According to my information the Germans themselves had been profoundly impressed by the corporate sense evinced by the Assembly, and had felt that a new force had come into the world, whilst M. Briand had informed me that a similar impression had been produced on the mind of a member of the French delegation who had hitherto regarded the League with suspicion and dislike and perhaps with some contempt. I told M. Grandi that I had always regarded M. Mussolini as a man of ideals but who insisted that, in the pursuit of those ideals, touch should not be lost with realities. It was in this spirit that I co-operated with the League, and I believed that co-operating in this sphere as in others, Italy and Great Britain might confirm their friendship and render a great service to the peace of the world.

Nothing could have been more friendly or more open than M. Grandi's attitude throughout the whole conversation, and I am convinced that he rightly interprets the policy and intentions of his chief.

I am, &c.,

AUSTEN CHAMBERLAIN

Letter from the Central European Department to Paris Chancery

[C 9958/1134/18]

Urgent

FOREIGN OFFICE, *September 13, 1926*

Dear Chancery,

Our despatch No. 2591¹ of the 11th September, about the definition of war material.

¹ Not preserved in Foreign Office archives. This despatch transmitted to Paris the following letter of September 10 from the Foreign Office to the War Office:

'...2. The present trouble seems to be largely due to the fact that the Ambassadors' Conference has never given the Interallied Military Commission of Control a ruling as to the interpretation of the words "war material of every kind" which they should follow in their negotiations with the German Government for the execution of article 170 [of the treaty of Versailles]. The Commission of Control appears accordingly in these negotiations to have adopted the most wide-reaching interpretation which from a purely military point of view can be given to those words. The application of article 170, however, naturally raises questions of both legal and political character. It is therefore regrettable that the Ambassadors' Conference did not at the outset examine if and how far the purely military sense of the words "war material of every kind" might run counter not only to the legal interpretation of article 170 but also to the requirements of political expediency, and it is felt that no further time should be lost in making such an examination.

'3. If the position is understood aright the question at issue between the Commission of Control and the German Government arises from the fact that the latter are being required to implement article 170 by passing special legislation. A law was indeed passed in 1921 but the Commission of Control held that its scope was insufficient and the present disagreement turns on the extent to which the words "arms, munitions and war material of every kind" in article 170 can be interpreted to include articles of ordinary use which in special circumstances may acquire military character or serve military purposes. From the strictly legal point of view Sir Austen Chamberlain is advised that the ex-allied governments are by no means on strong ground in holding that all the articles which the Commission desire to control on the ground that they can be regarded as "destined for war purposes" can be considered as war material for the purposes of this article. It could for instance be argued that article 170 prohibits the manufacture only of war material, but not of articles which only in certain special circumstances and at a later stage may come to be used as war material. It is only prudent on legal grounds therefore that the Commission of Control should not take up in this matter too uncompromising an attitude, but should meet the German Government half way instead of driving them to continue to challenge the allied governments' interpretation of article 170.

'4. Again from the point of view of political expediency the Army Council will appreciate the desirability that the German Government should not be forced to accept a definition of war material of such a far-reaching character that in practice the prohibition of the manufacture, import and export could not on the one hand be enforced without dislocating German industries and trade and on the other hand could not be effectively supervised by the organism which the League of Nations propose to set up for the purpose. Even assuming the German Government could be induced to accept the ex-allies' demands without an appeal to arbitration, Sir A. Chamberlain feels strongly that nothing should be done to complicate and render more difficult the investigations which the League of Nations will have to carry out on the withdrawal of the Commission of Control, and that therefore the obligations imposed on Germany should be as reasonable and as easily controlled as possible. Rather than that the scheme of League investigations should break down it is indeed

We have just heard from the War Office that negotiations have once more begun between the Control Commission and the German government, that the German authorities seem to wish to reach an early settlement, and that they are making no difficulty about the formula 'destinée aux buts de guerre'.

preferable that the allied governments should concede something of the rights they possess under article 170 and not insist upon the strict letter of the law and thereby render the whole article in practice unworkable.

'5. For the above reasons Sir A. Chamberlain agrees with the Army Council that it is desirable that the Commission of Control should abandon their attempt to make the German Government use the formula "destined for war purposes" in the case of doubtful articles which are to be embodied in their law. The German Government seem justified in holding that such a formula is too vague to constitute a legal definition. It would moreover give rise to the objections, both legal and practical, which Sir A. Chamberlain wishes to avoid. He agrees accordingly with the Army Council that the Commission of Control should desist from urging it, and welcomes, as an alternative, formula No. 1 now proposed by the British member of the Allied Military Committee of Versailles to the effect that such articles shall be considered as war material as can be used for purposes of war if their external characteristics differ from other patterns of the same class of goods in such a way as to make them more suitable for warlike than peaceful purposes. In view of the offer already made by the German Government as reported in the Commission of Control's report of July 29th [not printed: the German proposal was that the proposed legislation should apply only to 'objets pouvant être exclusivement employés pour des buts de guerre et qui se distinguent, d'après des caractéristiques extérieures, d'objets servant à des fins pacifiques'], it ought not to be impossible to reach an agreement on General Clive's formula.

'6. This formula would presumably include machinery made exclusively for the production of war material. It is observed from General Wauchope's letter to the Director of Military Operations and Intelligence of the 24th August (a copy [not printed] of which was sent semi-officially to this department) that the German Government are disposed to contend that machinery cannot in any event be included in the prohibition under article 170 of the Treaty. As to this, the German contention would seem to be technically correct. On the other hand the German Government bound themselves by article 169 of the Treaty to surrender "any special plant intended for the manufacture of military material, except such as may be recognised as necessary for equipping the authorised strength of the German army". It can therefore be argued that the Treaty considers such special plant to be war material and that it may accordingly be placed on the prohibited list. There remains however machinery which can produce both articles of civilian use and war material, or which can be easily converted so as to manufacture war material. This falls within the category of "potential war material" which will now be examined separately.

'7. The acceptance of General Clive's formula No. 1 raises the question of how far, in view of the legal and practical difficulties already referred to, it is possible to press the German Government to legislate for "potential war material" not covered by it. Such "potential war material" seems to fall under three headings, (1) finished articles of general use which can be held to become war material in special circumstances: e.g. by being collected together in excessive quantities; by being under the control or at the disposal of the German military authorities; by being ordered or purchased by the military authorities of a foreign power; by being identical with articles already kept as stock by the German military authorities; or by being subjected to some slight alteration after the process of manufacture has been completed; (2) semi-finished articles which can be shown to be intended to be completed as war material; (3) machinery and tools which can manufacture both articles of civilian use and war material, or which can be easily converted so as to manufacture war material.

'8. All of these categories were presumably intended to be covered by the Commission of Control's formula "articles destined for war purposes". Most if not all of them would probably be excluded by General Clive's formula, No. 1, which Sir A. Chamberlain is

It seems important to leave the Commission undisturbed to pursue these discussions, and not to interfere in any way unless they break down. Will you please, therefore, regard the views and suggestions put forward in our letter to the War Office of the 10th September as strictly confidential, and ready to adopt. General Clive proposes to make good this omission by formula No. 2, which is presumably to be embodied in the German law. This formula requires the German Government to accept the principle that the production of "potential war material" must not exceed the requirements of the country for peace purposes and exports authorised by the country of importation, and to agree to draw up a list of such articles with the Control Commission and to limit production accordingly; in fact to apply the test of quantity instead of destination.

'9. The legal and political considerations already elaborated in this letter seem to militate equally against the adoption of this test. Legally it would be difficult to maintain in the face of the German Government's resistance that this "potential war material" is covered by article 170. Moreover even if this difficulty were surmounted, it seems doubtful whether the Commission of Control and the German Government could ever agree on the articles to which the rule would apply, and on the amounts which would have to be fixed for each article for home consumption and export respectively. Moreover, even if they did agree these lists and amounts would have to be subject to constant revision. Lastly, it is felt that the task of ensuring that the law thus limiting the output of German industry continues to be observed would be altogether beyond the resources of the League's Committee of Investigation.

'10. Unless therefore the Army Council is satisfied that General Clive's formula No. 2 would not give rise to the difficulties set forth in the preceding paragraphs the Secretary of State would prefer to eliminate it and concentrate solely on the policy of inducing the ex-allied governments and Germany to accept General Clive's formula regarding direct war material as the text to be embodied in the proposed German legislation.

'11. If the Army Council feels strongly that the ex-allied governments should not thus implicitly abandon their rights to control the more important kinds of "potential war material" Sir A. Chamberlain would be prepared to consider a compromise whereby it would be dealt with not in the German law, which would only prohibit the manufacture *et cetera* of definite war material covered by General Clive's formula No. 1, but by means of some sort of agreement with the German Government by which they would recognise that the ex-allied governments reserve the right to ask the League of Nations to carry out an investigation if they had reason to suppose that any articles which are capable of acquiring military character or serving military purposes are being collected together in excessive quantities, or are under the control of or at the disposal of the German military authorities, or are being ordered or purchased by or on behalf of the military authorities of a foreign power—this stipulation to apply more particularly to the case where machinery which can manufacture both articles of civilian use and war material, or which can be easily converted so as to manufacture war material, is being erected in quantities clearly beyond the requirements of the civilian industry. But in view of the legal danger of stretching article 170 so as to include a right thus to question the existence in Germany of such "potential war material", it might be desirable in making the proposal to the German Government for the ex-allied governments to base their claim not only on this article but also on paragraph 1 of article 178 which forbids all measures appertaining to mobilisation.

'12. The general desire to withdraw the Commission of Control coupled with the probably imminent entry of Germany into the League of Nations makes the matter one of some urgency. . . .'

The War Office replied on September 14 that the Army Council agreed that a speedy solution of the problem should be sought, and that it was hoped that current negotiations between the Control Commission in Berlin and the German Government would lead to a final settlement. If they did not do so, the Army Council would favour action on the lines indicated in paragraph 11 of the Foreign Office letter. The War Office letter concluded:

on no account to be divulged for the present to either the French or the Germans.

A similar letter is being sent to the Chancery, Berlin.

Yours ever,

CENTRAL EUROPEAN DEPARTMENT

'The Army Council feel strongly that the ex-Allied Governments should not abandon their rights to control potential war material and that an arrangement should be ensured which will limit the possibility of Germany storing up large quantities of such material.'

No. 207

The Marquess of Crewe (Paris) to Sir A. Chamberlain
(Received September 15, 8.30 a.m.)

No. 355 Telegraphic: by bag [C 10080/77/22]

Secret

PARIS, September 14, 1926

My immediately preceding telegram.¹

Monsieur Berthelot told Mr. Phipps in the strictest confidence that the Italian Ambassador, in the course of this conversation, enquired of him whether, in the event of Italy finding it necessary some day to use forcible measures against the Turks in Anatolia, owing to some unjustifiable act of aggression on the part of the latter, she could count on the benevolent neutrality of the French government. If such an assurance could be given all difficulties with Italy over Tunis Tangier etc. would cease. Monsieur Berthelot's reply was to the effect that he could not even put such a question to Monsieur Briand.

Monsieur Berthelot said that Baron Avezzana had then remarked to him how foolish it was to suppose that Italy had in any way stirred up the Spaniards to make their recent demands in connection with Tangier. Italy had no intention of pursuing a joint policy with the Spaniards, who really counted for nothing. Italy was bent upon pursuing a world policy in collaboration with France and with Great Britain, 'and now', Baron Avezzana had added with a sigh, 'with Germany too'.

¹ Not printed. In connexion with the recent attempt on Signor Mussolini's life and with reference to indignation expressed in the French press at Signor Mussolini's remarks, as reported in Rome telegram No. 197 of September 12, on 'culpable tolerance beyond the frontiers', Mr. Phipps reported in Paris telegram No. 354 that the Italian Ambassador in Paris, Baron Avezzana, had complained to M. Berthelot of the activities of Italian emigrés in France: cf. *I Documenti Diplomatici Italiani*, Settima Serie, vol. iv, pp. 319-37 *passim*.

No. 208

Letter from Mr. Sargent to Mr. Cadogan (Geneva)

[C 9917/24/18]

Dear Cadogan,

FOREIGN OFFICE, September 14, 1926

I enclose copy of a despatch from Ingram¹ about an aeronautical display

¹ No. 197.

held at Berlin to celebrate the withdrawal of the aeronautical committee of guarantee, which took place on the 1st September.

We gather that the League scheme of September 1924, which was to have been reconsidered by the League Council at its present meeting, after the election of Germany, will not come up for discussion until next December. The aeronautical committee of guarantee having been withdrawn the 1st September, article 213 of the Treaty has come into play, but as the League's machinery is not yet in working order there is going to be a hiatus during which German air activities will be entirely uncontrolled.²

In practice I don't think that this need worry us, as we have never really believed that the League would by means of its investigations ever be able to control the observance of the very complicated stipulations of the Air Agreement concluded last May between the Ambassadors' Conference and the German Government. But Tyrrell agrees that it is quite possible that the French may get nervous and excited if the Germans continue to advertise their interest and progress in aeronautics by means of these monster shows, and suggests that perhaps the Secretary of State might think that future trouble might be prevented if he were to drop Stresemann a friendly hint now, to the effect that he would do well to discourage for the time being all demonstrations of this kind.

ORME SARGENT

² In a letter of September 15 Mr. Sargent requested Mr. Cadogan to amend the preceding phrase to read: 'a hiatus during which it will be particularly difficult to control German air activity'. He explained: 'It is somewhat of an exaggeration to say that during this period these activities must necessarily be *entirely uncontrolled*, since Germany undertook at the time of the Air Agreement to recognise that the promise given to her at Locarno shall not be interpreted as preventing the Allied Governments from making use of their rights under Article 213 [of the Treaty of Versailles] provided they don't run counter to the objection made by the German government to the League scheme of investigation.'

No. 209

Memorandum by Mr. Troutbeck respecting the German Claim for a Colonial Mandate¹

[C. 656/539/18]*

FOREIGN OFFICE, September 14, 1926

The history of the German colonial question since the armistice is recorded in the Foreign Office memorandum of the 20th August,² and it will be seen that the recovery of colonies has become the object of a vigorous propaganda campaign in Germany with which the German Government openly show their sympathy, in spite of the warnings conveyed from time to time by His

¹ Mr. Troutbeck was a member of the Central Department of the Foreign Office. This memorandum took account of comments from the Treasury, the Board of Trade, the Colonial Office, and the Dominions Office.

² Not printed. This memorandum noticed the events recorded in Volume I, Nos. 116, 121, 122, 403, 415, 425, and 434.

Majesty's Government. The campaign shows no signs of abating, and a striking example was seen not many months ago in the publication, by a reputable British firm, of a somewhat sensational book on the subject by Dr. Schnee, a former Colonial Governor.³ The presentation volumes of this work, which were freely distributed among public persons and others in this country, bore witness to the large financial support with which the movement is backed. It is, moreover, receiving favourable attention in certain circles in this country. Mr. Philip Snowden⁴ for example, recently contributed an article to the American 'Nation' in support of the German thesis, while Dr. Schnee's book was favoured with a long introduction by Mr. W. H. Dawson, the author of a number of well-known books on Germany as well as of some chapters in the 'Cambridge History of British Diplomacy [*sic*]'.⁵ It seems time to examine once more the merits of the German case and to consider what justification actually exists in the German demands.

2. Ever since the mandate system was adopted it has become a point of national honour with the Germans, and, of course, especially with the parties of the Right, to claim that, as one of the foremost of the civilised European States, Germany has a moral right to take her part with Great Britain, France and Belgium in the administration of the colonies under the mandatory system. In its more recent phase the claim goes beyond the mere demand for the restoration of the former German colonies, and has become a demand that some part of the world should be found where Germany can exercise a mandate. The satisfaction of that desire is avowedly one of the first advantages which the Germans hope to receive from admission to the League of Nations.

3. As the arguments commonly employed by the German propagandists largely follow the lines laid down in the observations of the German peace delegation on the conditions of peace, communicated to the Peace Conference on the 29th May, 1919,⁶ it may be useful to recall what those arguments were. The German case, as presented in that document, was that Germany had a moral right to retain her colonies:—

- (1) Primarily because she had acquired them by legitimate means and developed them by hard, successful toil;
- (2) Because she needed them for the supply of raw materials, as a market for her own industries and as settlements for her surplus population;
- (3) Because it was her right and duty as a civilised people to co-operate in the education of undeveloped races; and
- (4) Because the interests of the population demanded that she should retain the colonies.

³ *Note in original*: 'German Colonisation Past and Future. The truth about the German Colonies.' [London, 1926.]

⁴ Member of Parliament for the Colne Valley district of Yorkshire and a former Chancellor of the Exchequer.

⁵ See *The Cambridge History of British Foreign Policy 1783-1919* (Cambridge, 1922-3), vol. iii, chapters II-III.

⁶ See No. 2, note 4.

It was also contended that article 119 of the treaty,⁷ which required Germany to renounce all her rights and claims to her overseas possessions, was in irreconcilable contradiction with the fifth of President Wilson's fourteen points.⁸ Finally, there has recently arisen a new argument, with which the name of Dr. Schacht, the president of the Reichsbank, is closely associated, that through colonies alone can Germany pay her reparation debt to the Allies.⁹

4. It will be seen that these arguments fall naturally into two categories—on the one hand the political and sentimental, and on the other the economic and financial. It will be simpler to examine them in turn.

5. On the political side the Germans base their case primarily on the moral argument that a great wrong was done to Germany at Versailles when she was robbed of her colonies and saw them divided among her former enemies. Not only did the Allies time and again during the war proclaim the policy of 'no annexations,' but the specific terms on which Germany laid down her arms, viz., President Wilson's fourteen points, provided for a 'free, open-minded and absolutely impartial adjustment of all colonial claims, based upon the [a] strict observance of the principle that in determining all such questions of sovereignty the interests of the populations concerned must have equal weight with the equitable claims of the Government whose title is being [to be] determined.' At the Peace Conference, say the German propagandists, the Allies cynically ignored that provision and apportioned the German colonies among themselves in accordance with secret agreements made during the war. The Allied method of consulting the interests of the inhabitants was to announce blandly that they were 'satisfied that the native inhabitants of the German colonies are strongly opposed to being again brought under Germany's sway.'¹⁰ To justify their action they then proceeded to let loose a torrent of propaganda designed to prove Germany's incapacity to govern colonies. Nothing could exceed the hypocrisy and unscrupulousness of that propaganda. Not only did it refer almost entirely to acts that had taken place many years before the war, but the policy was deliberately adopted of massing together all attacks that had ever been made on German conduct in the colonies and suppressing all the replies given and evidence produced to refute such attacks. Everything in Germany's favour, such as her great research work and high standard of administrative efficiency, was studiously ignored.

6. Having made their first point that the Allies committed an indefensible act in not handing back Germany's colonies after the war, the German propagandists proceed to draw a comparison of the old German administration with the present mandatory administration, and claim that the Allies

⁷ Of Versailles.

⁸ President's Wilson's peace programme of January 8, 1918, is printed in *British and Foreign State Papers*, vol. 111, pp. 950-5.

⁹ Cf. Volume I, No. 403.

¹⁰ For this quotation from the Allied reply of June 1919 to the German communication of May 29, 1919, see *British and Foreign State Papers*, vol. 112, p. 250.

have proved incapable, even on their own showing, of maintaining the old German standard. Everywhere, they declare, efficiency has declined, while in French mandated areas the population is being subjected to a rigorous military system unknown under German rule. They claim, therefore, that on simple grounds of humanity to the natives the old German colonies should be handed back to their former rulers.

7. Such are the main political arguments on the German side, and, while their appeals to humanity may justly be passed over as claptrap, their criticisms of the Allied action at Versailles are not so void of foundation that we can afford wholly to ignore them. Let us therefore examine for a moment the actual terms of President Wilson's fifth point. It will be seen that it laid down the principle that in the determination of all the colonial questions at issue the interests of the native populations should have equal weight with the claims of the 'ruling races'; on that principle all the colonial claims were to be freely, open-mindedly and impartially adjusted. Now the whole force of the German argument rests upon the word 'impartial'. This, say the Germans, could have implied nothing else but an impartial enquiry in each of the German colonies, as a result of which their future destination would be determined, Germany herself naturally being a claimant as well as any other country. Yet in actual fact that does not seem to have been what President Wilson himself had in mind. Mr. R. S. Baker¹¹ tells us that before he arrived in Paris the President 'thought that the German colonies should be declared the common property of the League of Nations and administered by small nations'. More important are the discussions in the Council of Ten. On the 24th January, 1919, when the question was first discussed by that body, we find President Wilson saying that 'he thought *all were agreed* to oppose the restoration of the German colonies'.¹² He developed his ideas more fully at the meeting on the 27th January,¹³ and it is clear that his chief concern was to prevent the welfare of the natives being sacrificed to any imperialistic designs; therefore, on the one hand, the colonies must not be returned to Germany, who had shown herself unfit to govern them, and, on the other hand, they must not be annexed by the conquering Powers. Thence was derived the mandatory system, which was designed with a view (a) to the betterment of the conditions of the inhabitants, and (b) to the prevention of any discrimination against other members of the League as regards economic access to the resources of the districts. 'Impartiality' was to be secured by this latter principle of the mandatory system.

8. Let it be admitted at once that this line of reasoning would not satisfy German colonial societies if it was put to them; they would reply that the fourteen points must be taken to have meant what they said, and that, once they had become the basic principles upon which the Allies pledged them-

¹¹ *Note in original*: '“Woodrow Wilson and World Settlement” [London, 1922-3], vol. i, page 10'.

¹² See *Papers relating to the Foreign Relations of the United States: The Paris Peace Conference 1919*, vol. iii, p. 718.

¹³ *V. ibid.*, pp. 740-8, for statements by President Wilson and Mr. Lloyd George.

selves to make peace, they were no longer subject to any exclusive right of interpretation by President Wilson. All this may be very true; at the same time, no one with any knowledge of the conditions would attempt to argue that an impartial enquiry among the primitive inhabitants of the former German colonies would be a practical proposition at any time; Dr. Schnee himself ridicules the idea in his book; still less would it have been possible at the end of the war, when passions were at their height and Allied armies everywhere in possession. It may perhaps be said that President Wilson's fifth point was not very fortunately worded, and the Allies would perhaps have been wise to have made a definite reservation on that point as they did in certain other cases, for it is perfectly certain that, having won the war, not one of the Allies had any intention of handing back to Germany the colonies they had conquered. Any such idea was out of the question. At the same time annexation had an ugly name, and so arose the idea of an impartial adjustment of claims, from which in due course followed the mandatory system. But for that one phrase in the fourteen points Germany at any rate would have had no possible moral case for grievance. For Germany the war was a bid for greater world power, and world power meant for her territorial conquests largely at the expense of her rivals' colonial possessions. Even Mr. Dawson, who is to-day sponsoring the German cause, wrote in a work¹⁴ produced during the war that 'to-day it (the German colonial movement) is an imperialistic movement, representing Weltpolitik¹⁵ in its most aggressive form'. The natural and deserved result, therefore, of Germany's defeat in the war was the loss of her colonies, which she openly regarded as bases for aggression against her neighbours' trade and territories. It was the attempt of the Allies at Versailles to reconcile the wholesale appropriation of all the German colonies with impartiality that has left it an easy task for the German propagandists to proclaim that Germany was wronged by an act of unscrupulous hypocrisy.

9. Again, it has been seen that grave exception is taken in Germany to the charges of misconduct and misrule which formed the subject of so much Allied propaganda during and after the war. Here, too, the Germans perhaps have some just cause for complaint. It is, of course, common knowledge that German colonial rule, especially in the early days, was one of the blackest spots in the history of colonial exploitation. To quote again from a previous work of Mr. W. H. Dawson:—¹⁶

'Stories of slavery, violence, cruelty, illegality and lust, committed both by officials and planters, were sent home only too frequently by missionaries and clean-handed men in the colonial service who could not see these things and be silent, and disciplinary proceedings at home generally confirmed the imputations of report, and frequently proved that the half had not been told.'

¹⁴ *Note in original*: "What is wrong with Germany?" [London, 1915]: see p. 170.

¹⁵ i.e. Imperialism.

¹⁶ *Note in original*: "The evolution of Modern Germany" [London, 1908]: see pp. 370-1.

On the other hand, it is equally true that a genuine attempt was being made to improve matters in the years immediately preceding the war, and it is the suppression of that recognised fact, together with the omission to mention the German official replies to the allegations cited, that leaves the field open to the German counter-propagandists to-day. Again, one point on which the leaders of the Allies laid great stress during the war was the intention of Germany to build up a great military force in her colonial possessions. The prevention of that was part of the struggle against 'militarism.' It is not difficult for the Germans to point out to-day that our French allies have since the war systematically organised the wholesale enlistment of African natives and their employment on the continent of Europe (though this is not true of the French mandated territories, as the Germans also allege). But the fact remains that the French have done what the Germans never actually did and the very thing against which we were protesting in the war. Lastly, so far as Great Britain is herself concerned, the Germans can remind us that, in spite of our views on German colonial rule to-day, we did not scruple on two separate occasions in pre-war days to contemplate the partition with Germany of the Portuguese African possessions.¹⁷

10. The fact is that in the case of the colonies, as in other cases, the Allied propaganda overreached itself during and after the war, and this is not the first time that we have found it recoiling on our own heads. Unfortunately, in the present case it was by the allegations made in their colonial propaganda that the Allies justified their policy at Versailles.

11. Before leaving the political aspect of the question, a word should be said about the German assertions that efficiency of government has declined in the former German colonies since the mandatory system has come into force. This was an easy charge to make in the early days after the war, when all government had naturally gone to pieces in territories which had been subjected to the ravages of military campaigns. The mandatory Powers, on taking over the government of the territories, found that everything had to be started afresh from the beginning. It fell to them to repair the war damage, to re-establish order and to institute a complete organisation of government from top to bottom. This could naturally not be done in a day, and no doubt the conditions in most of the former German colonies in 1920 were inferior to those prevailing in 1914. That argument, however, cannot be used in the same way to-day, for huge strides have been made during the last six years, as the annual reports of the mandatories will show.

12. So much, then, for the German political arguments. On the economic side the contentions are, as has been seen, that Germany needs colonies

¹⁷ *Note in original:* 'A secret convention of 1898 contemplated the partition between Great Britain and Germany of certain of Portugal's African colonies "in the event of it unfortunately not being found possible to maintain the integrity of the African possessions of Portugal . . . [thus in original quotation]". A further convention was initialled on the 13th August, 1913, revising the convention of 1898. For various reasons, however, the latter was not proceeded with, and the convention was never ratified.'

(a) for the supply of raw materials, (b) as a market for her own industries, and (c) as settlements for her surplus population. None of these are new arguments, specially invented for the occasion. They were used twenty years ago, and then not for the first time, by Herr Dernburg, the first German Colonial Minister, who painted the most roseate pictures of the possibilities of colonies for Germany's economic development, and induced large sections of German opinion to believe him. His prognostications, however, showed few signs of materialising before the war.

13. It will be convenient to consider points (a) and (b) together, and, in the first place, it may be remarked that all the German propagandists deliberately ignore the fact that colonies in their early stages of development, and, indeed, for many years, are a drain upon and not a support to the economic resources of the mother country. When Germans talk about their need for colonies as a supply for raw materials and as markets for their industries, it is well to remember that Germany's trade with her colonies before the war formed only about one-half of 1 per cent. of her total trade, both on the import and on the export side. This is not to say that the colonies might not have become profitable acquisitions in the course of time, but there is no doubt that before the war they were not on a self-supporting basis. Indeed, they must still be considered as being in the stage of development and, consequently, as requiring the expenditure of considerable sums of money which cannot be expected to fructify for many years. In this connection, it is significant that a proposal was made at the Peace Conference (which was not, indeed, carried out) that the League of Nations should bear a proportion of the expenses of administering the territories placed under a mandate.¹⁸ But under the Dawes scheme all Germany's available surplus for many years will be required for the payment of her reparation debt, and the creditor Powers cannot reasonably be expected willingly to entrust to Germany a burden which might well prejudice their own hope of receiving the full quota of reparations due. It is widely contended in Germany that the full Dawes annuities will never be capable of payment. All the more reason, then, for resisting any scheme which would tempt Germany to squander her resources elsewhere.

14. It should, moreover, be added that the terms of the 'B' mandates¹⁹ specially provide for 'national' treatment for all members of the League of Nations as regards commercial enterprise in the territories. While it is no doubt true that the nationals of the mandatory must in practice have greater opportunities in that respect than the nationals of other Powers, nevertheless, the policy of the open door does give German nationals the opportunity of profitable private exploitation without their Government having to undertake the responsibility and large outlays of capital involved in political control. Incidentally, in Iraq, Palestine, British Cameroons, British Togoland and the Tanganyika Territory, all commercial facilities were, in fact, extended to German nationals, even before Germany became a member of the League.

¹⁸ Cf. Mr. Lloyd George's statement on January 27, 1919: see note 13 above.

¹⁹ Cf. the fifth paragraph of Article 22 of the Covenant of the League of Nations.

15. In short, tropical possessions are not an immediate source of wealth, but rather of expenditure. To render them a source of wealth requires the sinking of capital, and Germany's funds are earmarked for a considerable term of years for other purposes.

16. Before leaving this point a few words may be said about a new train of argument which has recently been developed by Dr. Schacht, the President of the Reichsbank, and echoed by the colonial societies. Dr. Schacht contends that the question of transfers, which lies at the root of the reparation problem, has not been solved even by the Dawes plan. All forms of transfer which have been discussed hitherto are in the direction of deliveries in kind, either to the Allies direct or to third parties against payment of the subsequent money transfer. In either case, the Allied manufacturer and competitor suffers. The only possible way in which Germany could pay reparations without damaging the Allied manufacturer would therefore be by diverting Germany's producing plant and working power to the production of food-stuffs and raw materials for which there is an unlimited market. That is only possible in colonial lands.

17. Now, so far as the proposal is that the enterprise should be undertaken by the German Government, the considerations advanced in paragraph 13 above are a sufficient reply to Dr. Schacht's contentions. But Dr. Schacht has also developed his plan on somewhat different lines and suggested that territory should be provided in some of the less developed colonies belonging to other States for exploitation by German chartered companies.

18. To this proposal the same financial and economic objections clearly do not apply; for while the development of the territory would still entail financial support, the burden of finding the necessary finance would not necessarily fall upon Germany herself, but might well be met by attracting foreign capital for investment in the enterprise. Before the war the Germans displayed much ingenuity and considerable success in attracting foreign capital into organisations managed and controlled by them, and undoubtedly extended by such means their commercial influence and their trading profits.

19. The purpose of Dr. Schacht's proposal as regards chartered companies obviously is to enable Germany, without raising the vexed legal and political issues involved in the conferring of a mandate, to re-enter the colonial field by the back door. Whether His Majesty's Government would feel disposed to raise objections if a German chartered company succeeded in effecting the purchase or lease of some such territory it is unnecessary to consider at this stage. It need only be said that it is clearly not for His Majesty's Government to facilitate the deal.

20. The weakest of the German material arguments is the plea that Germany needs her colonies as settlements for her surplus population. It may, indeed, be the fact that in seeking to develop her colonial dominions before the war she was largely actuated by concern for the future of her growing population, but, if this was the case, her endeavours were singularly unsuccessful. In point of fact, German overseas possessions before the war were

not 'settlement colonies' at all, but, like the British tropical dependencies, 'black men's countries,' where Europeans do not make their permanent home, but, with few exceptions, are employed in business and superintendence with the intention of returning sooner or later to Europe. The nearest the Germans came to a settlement colony was in German South-West Africa, where, after an immense amount of support from the Government and private societies, they managed to establish a fairly large number of settlers. Germany's failure to plant her surplus population in her colonies is the more significant when it is recollected how important a problem the population question was to Germany towards the end of the last century. It is true that owing to growing prosperity and employment at home the stream of emigration was already on the decline by the time colonial enterprise had become a living factor in German policy. Nevertheless, during these years the vast German settlements in the United States of America and South America were still being swollen with fresh emigrants; while the colonies proved wholly unimportant from the point of view of emigration. In the years immediately preceding the war all German emigration had diminished to a trickle and Germany was even attracting immigrants. The total number of German emigrants to the African colonies in the four years immediately preceding the war amounted to seventy. Since the war emigration has again been on a considerable scale,²⁰ but the type of German who emigrates to-day is no more likely to be attracted to tropical Africa than his predecessors before the war. In fact, the emigration question and the question of the return of the German colonists [*sic* ? colonies] are separate problems and have no connection with each other. If Germany wants colonies for emigration purposes, she must seek them in other lands than in her former possessions.

21. The only way in which tropical colonies could be of any service to Germany from this point of view would be in providing the educated classes with opportunities for useful and remunerative work in the sphere of colonial administration. German writers have constantly pointed out that the greatest benefit which this country derives from the government of India and the colonies is that it has given to the educated middle and upper classes opportunities for work of the highest interest, with adequate remuneration, and that these men become in time an essential element in the constitution of the social fabric. Germans of the same class, however competent and highly educated, do not find similar opportunities and are liable to become a discontented element of the community. At the same time, it may be doubted whether Germany in point of fact made great use of her colonies for this purpose while she possessed them. It was not many years before the war that

²⁰ *Note in original:* 'The available figures since the war are as follows:—

1920	.	.	.	.	.	8,458
1921	.	.	.	.	.	23,451
1922	.	.	.	.	.	36,527
1923	.	.	.	.	.	115,416
1924	.	.	.	.	.	58,328
1925	.	.	.	.	.	62,643 ⁹

a Liberal Deputy declared in the Reichstag that 'the colonies are regarded as relief institutions for the benefit of men who have failed at home.'

22. It is thus clear that the material arguments in favour of the return to Germany of her lost colonies will not bear strong critical examination. It is on sentimental grounds that the chief value of her case must rest. The question (unlike some of the other territorial problems left by the Peace Treaty, such as, for instance, Upper Silesia) is far more a sentimental one than anything else. It may, indeed, be said that sentiment, officially fostered and inspired, played the predominant part in German colonial activities, especially in their latter stages, even before the war. Pride of place and consideration of 'Weltmacht'²¹ was a greater factor in colonial enterprise than the hope of any purely material benefits that might result.

23. But supposing, for the sake of argument, that it were agreed in principle that Germany should be given a mandate, the question would immediately arise, what mandate should Germany be given? Let us first consider Germany's former colonies. The German colonial empire consisted before the war of the four African territories of Togoland, Cameroon, South-West Africa and East Africa, part of the island of New Guinea, part of the Solomon and Samoa groups, the Marshall, Caroline and Ladrone groups, and Tsingtao in China. Of the above, German South-West Africa is in the hands of the Union of South Africa; the greater part of German East Africa is under British mandate, and so are narrow strips of Cameroon and Togoland, which have been incorporated in Nigeria and the Gold Coast. The bulk of Cameroon and Togoland is in the hands of France, and the remainder of German East Africa was given to Belgium. German New Guinea and the Solomons are under Australian control and German Samoa is administered by New Zealand. The Marshall, Caroline and Ladrone Islands are under Japanese mandate, while Tsingtao has been restored to China. Is it conceivable that any of the Powers now in occupation would be prepared to surrender their mandate to Germany? The whole idea, so far as this country and the dominions are concerned, is out of the question and not a practical proposition. The same is equally true of France, Belgium and Japan. The return of any of Germany's former colonies is then clearly ruled out on practical grounds.

24. There remains the possibility of Germany acquiring a mandate elsewhere. But here again, where is the territory to be found? Dr. Schacht, in connection with his chartered company idea, is believed to have hinted at the acquisition of a part of the Portuguese colonial empire. The opportunity was taken to enquire of His Majesty's Ambassador at Lisbon whether any such suggestion had been brought to his notice and whether, in his opinion, such a project would seriously be entertained were it to be put forward at Lisbon. Sir Lancelot Carnegie replied, as was expected, that no such rumour had reached him and that he would attach no importance to such a rumour. The sensibilities of the Portuguese in regard to their colonies were notorious, as were their continual suspicions of the designs on them which the various countries were suspected of harbouring. He was convinced that no Portu-

²¹ i.e. World power.

guesse Government would entertain for a moment any proposal involving the alienation either by lease or sale of any Portuguese overseas territory.

25. What is true of Portugal is clearly true of every other country, and international conditions would have to change very materially before any country would ever consider the idea of surrendering any portion of its territory to become a mandated area under German administration. Nor must it be forgotten that if and when the question arose, in practical shape, of a redistribution of colonial possessions, especially the territories which admit of colonisation by white settlers, Italy would make determined efforts to have the first option. To her the population question is a predominating one which lends the direction to the whole of her foreign policy, and she would not idly stand by and see territories passing to other countries which might make a home for the surplus of her expanding population.

26. His Majesty's Government would therefore seem to have adopted the only practical policy in saying to the Germans: 'At the moment there are no vacant mandates. If a vacancy should in the future occur, Germany, as a member of the League of Nations, will be in precisely the same position as other members in claiming the reversion. But there can be no question of Great Britain ever giving up a mandate in order to hand it over to Germany, or of her asking any of the dominions to do so.'²²

27. To sum up then, it may be said that materially Germany has very little case for requiring colonies. Politically, she can put up an arguable case that she was badly treated at Versailles in view of the fact that the fourteen points provided for an impartial settlement of all colonial claims. Sentimentally, she can claim that now that the ex-Allies are admitting her to a permanent seat on the Council of the League, in other words recognising her to be a Power with world-wide interests, it is only just and logical that they should return to her the colonies which were so large a factor in giving her those interests or alternatively provide her with colonial possessions elsewhere. On the other hand, any such idea is to-day not practical politics, and the German Government by recognising that fact and discouraging the increasing propaganda on the subject would be removing a cause of friction with the ex-Allies which may otherwise develop in the course of time into an open sore. It need hardly be added that it is upon the British Empire that German animosity on the question will chiefly fall. The average German is probably convinced that England, if she did not engineer the war, at least welcomed it as a means of depriving Germany of her colonies.

28. One last point should be mentioned. The argument has been used in this country that we should be well advised to hand back some of her colonies to Germany because colonies are in effect a hostage to sea power. Against this, however, it must not be forgotten that it was the possession of colonies and the necessity to ensure their safety which was Germany's chief motive in building a powerful fleet before the war, and it was of course the challenge to our fleet that finally made war with this country inevitable.

J. M. TROUTBECK

²² Cf. Volume I, Nos. 122 and 434.

Mr. Phipps (Paris) to Sir A. Chamberlain (Received September 16, 8.30 a.m.)
No. 358 Telegraphic: by bag [C 10108/10060/18]

PARIS, September 15, 1926

I had occasion to see Monsieur Poincaré this afternoon, and he spontaneously informed me that he had just received a supplementary report from the Commission of Control in Germany regarding the construction of concrete platforms near Königsberg (see Lord Crewe's despatch No. 1640¹ of the 30th ultimo). This report would presumably be dealt with by the Ambassadors' Conference, and showed that the Germans were endeavouring in this case to evade the stipulations of the treaty of Versailles. Monsieur Poincaré then proceeded to refer to a statement which Herr Stresemann is reported in this morning's issue of the 'Matin' to have made yesterday to a British journalist to the effect that the military occupation of the Rhineland should be swept away ('balayée').² Monsieur Poincaré remarked that this was a strange reply to make to Monsieur Briand's most conciliatory speech last Friday.³ He further remarked that a well-known and reputable German pacifist society, having confirmed several of the accusations brought against the German government by the Commission of Control, the German government had announced in the press its intention of prosecuting that society for stating, after all, what was merely the truth. All these were, in Monsieur Poincaré's opinion, somewhat disquieting symptoms, but he professed to be greatly pleased that Germany should have been received into the League of Nations without any further hitch. Great prudence would, however, he observed, have to be shown, and Germany must be made to realise that she could not, immediately on entering the League, seek to obtain all her *desiderata* at one fell swoop. Monsieur Poincaré's tone when referring to the Germans was certainly much milder than in the old days of the occupation of the Ruhr, but he can hardly be expected to have changed so entirely as not to take a certain pleasure in referring to German delinquencies.

2. Monsieur Poincaré expressed to me his warmest admiration for the masterly manner in which His Majesty's Government had dealt with the general strike, and for the order maintained throughout the coal strike. In this connection he remarked that Germany would not sell to France the quantity of coal which the latter required in order to make up for the deficiency caused by the coal strike in England; Germany preferred to leave

¹ Not preserved in Foreign Office archives. This despatch transmitted a copy of a note of July 2, with annexed correspondence with German authorities, from the Inter-Allied Military Commission of Control in Germany. This note was presumably the letter to the Allied Military Committee of Versailles referred to in No. 97, note 2.

² Cf., however, the report in *The Times* of September 15, 1926, p. 12, of a statement made by Dr. Stresemann to representatives of the British press after the ceremony on September 14 when ratifications of the Locarno treaties were exchanged, thus bringing the treaties into force.

³ September 10, 1926: see No. 203.

the French market in the lurch, and to concentrate her efforts on securing other markets which hitherto had been supplied by British coal. The result was that France was compelled to purchase large quantities of coal in America at very great expense to herself, and consequent prejudice to the French exchange, for vessels transporting American coal to France were obliged to return to America without cargo. Monsieur Poincaré expressed the earnest hope both for the sake of France and of Great Britain, that the coal strike would soon stop.

3. Copy sent to Geneva.

No. 211

Sir W. Tyrrell to Mr. Phipps (Paris)

No. 2642 [C 9946/24/18]

FOREIGN OFFICE, *September 16, 1926*

Sir,

With reference to Lord Crewe's despatch No. 1715¹ (1/127/1926) of the 10th September, relative to the presence of Reichswehr officers on the German Luftrat, I shall be glad to receive, for my consideration, the draft of a note from the Ambassadors' Conference to the German Government calling their attention to this question.

I am, &c.,

(For the Secretary of State)

ORME SARGENT

¹ This covering despatch, not preserved in Foreign Office archives, transmitted an *avis* of September 7 from the Allied Military Committee of Versailles recommending that the German Government should be invited to take the necessary measures to forbid members of the Reichswehr, the German navy, and the police from being members of the Deutsche Luftrat (Air Council), a semi-official organization which directed the development of German aviation.

No. 212

Mr. Phipps (Paris) to Sir A. Chamberlain (Received September 17)

No. 1771 [W 8857/27/17]

Confidential

PARIS, *September 16, 1926*

Sir,

I read with interest your despatch No. 663¹ of September 7th to His Majesty's Ambassador at Brussels, in which you inform Sir George Grahame of the misgivings felt by the Belgian Minister for Foreign Affairs in regard to Monsieur Poincaré's attitude towards the policy of Locarno. I have noticed similar misgivings reflected recently in certain organs of the British Press, and I think it probable that they are somewhat exaggerated.

2. I certainly have no desire to take up the cudgels on behalf of Monsieur Poincaré against whose adamantine obstinacy the strenuous efforts of His

¹ No. 195.

Majesty's Embassy in Paris spent themselves in successive but vain endeavours to prevent, to mitigate and finally to curtail the occupation of the Ruhr. When in May 1924 I learned the joyous tidings of the victory of the Cartel of the Left² I uttered up a prayer of thanksgiving. Had I then realised the succession of incredibly foolish mistakes, both foreign and domestic, that the Cartel were to commit before their ignominious end some two months ago my prayer might have been a less fervent one. Monsieur Poincaré was then swept away by that very Left towards whose victory he had so much contributed by leaving undisturbed at their posts the Prefects appointed by Monsieur Combes, Monsieur Caillaux or Monsieur Malvy.³ In thus acting, Monsieur Poincaré hoped to bring together a somewhat more leftward Chamber than the one elected after the war to whose 'bloc national' majority he was obliged to look for support in his domestic as well as in his foreign policy. Now Monsieur Poincaré, whose foreign policy was, at any rate vis-à-vis of Germany, practically a Nationalist one, was most anxious, as are the majority of French politicians, to be considered an 'homme de gauche' in regard to internal policy; indeed his tendencies are in fact leftward. He is a convinced free-thinker and he has a great respect and regard for Monsieur Léon Blum, which the latter reciprocates. He, therefore, hoped to displace a few votes to the left, instead of which he let loose an avalanche which swept him away. In July he had the supreme triumph of finding himself at the head of a Government commanding majorities which must have made the good Monsieur Herriot's mouth water in a Chamber in which but a few weeks previously his very name was anathema. True, the Government which Monsieur Poincaré now leads is a Coalition one, but if he plays with any skill the cards which the 'bon Dieu' and Monsieur Herriot together have placed in his hands he may reasonably hope, even after the break up of the Coalition, to remain a potential leader of the Left and Left Centre. It must be remembered, moreover, that Monsieur Poincaré's immediate task, and a Herculean one it is, is to endeavour to set the finances of France on a sound basis, or at least to take the first steps towards that desired if unattainable goal. For this purpose, a pacific and reasonable foreign policy would seem to be absolutely indispensable. Any alarms and excursions in that sphere can only cause what Monsieur Daudet⁴ calls 'petit Franc' to wobble and to totter. Foreign credits may be required also, and will they be forthcoming if Monsieur Poincaré speaks 'fortissimo' on foreign affairs?

3. If all the above reasons, however, failed to induce Monsieur Poincaré to put water into his potent pre-Locarno wine the knowledge that Monsieur Briand, that other 'homme de gauche', would firmly decline to follow him,

² The electoral victory of the coalition of left-wing parties known as the Cartel over the right-wing Bloc National had led to the formation in June 1924 of an administration under M. Herriot in succession to that led by M. Poincaré.

³ M. Combes had been President of the Council, 1902-5; M. Caillaux had been President of the Council and Minister for the Interior, 1911-12; M. Malvy had been Minister for the Interior, 1913-17.

⁴ M. Léon Daudet was a founder of and frequent contributor to the *Action Française*, a monarchist daily newspaper.

and would in fact be prepared to bring about a cabinet, and indeed a parliamentary crisis of the first magnitude in order to assert that policy of Locarno which is approved by the great majority of the Senate and the Chamber, that knowledge would, I venture to think, prevent Monsieur Poincaré from engaging upon a struggle with Monsieur Briand, out of which, even if victorious, he could only hope to emerge as the prisoner of those forces of reaction from which once already he has sought, and seemingly with success, to set himself free. The old Adam may, of course, occasionally reassert himself, and Monsieur Poincaré, so I hear on good authority, does at times in the Cabinet sound a strong anti-German note, but Monsieur Briand it seems, makes light of these incidents, affects not to hear, and continues on his Locarno course. Monsieur Poincaré will doubtless at times apply the brake to his particular carriage of the French Locarno train; that he will seek to derail the Briand-driven engine of that train, I do not believe, provided, of course, the Germans do not behave with more than their usual clumsiness and folly. Only yesterday Monsieur Poincaré held forth to me with evident pleasure on various German delinquencies: his language was milder than of old, however, and his phrase 'Germany must be made to realise that she cannot, immediately on entering the League, seek to obtain all her *desiderata* at one fell swoop', conveyed to me a welcome impression of ultimate resignation, for which my Ruhr-time encounters with Monsieur Poincaré had not prepared me.

I have, &c.,
ERIC PHIPPS

No. 213

Letter from Mr. Sargent to Mr. Cavendish-Bentinck¹ (Geneva)

[C 10075/681/18]

FOREIGN OFFICE, September 16, 1926

Dear Bill,

Many thanks for your letter of the 12th instant regarding the League scheme of investigation under article 213 of the Treaty of Versailles.² The agenda evidently only speaks of the adjournment of the question of the system of investigation to be applied to the Rhineland as to which we and the French don't see eye to eye. But what I have now in my mind is the opportunity which the Germans were promised at Locarno to discuss the German objections not merely to the Rhineland part of the question, but to the general system of investigation as set forth in the League scheme of September 27th, 1924. From what you say, I take it there can be no doubt that the general discussion has been, with the concurrence of the Germans, adjourned till December. If so it is quite on the cards that there *will* be a hiatus between the withdrawal of the Commission of Control and the final approval of the

¹ An assistant to the British Delegate to the League of Nations.

² Not printed. This letter stated in particular that consideration by the Council of the League of Nations of the question of the system of investigation to be applied to the demilitarized zone in the Rhineland remained adjourned.

investigation scheme. The German government are already pressing us hard to withdraw the Commission of Control as soon as possible, and if all goes well and if Briand and Stresemann are prepared, as a result of their private conversation, to make various small concessions, it ought to be possible to get rid of the Commission some time before the December meeting.

The French, as far back as last January, were already worrying about the danger of such a hiatus, and as shown in the enclosed print³ we tried to reassure them as best we could. The circumstances, however, are not quite the same now as they were then. Germany is now in the League and her objections to the League scheme might have been discussed as soon as she had entered. If they are not to be discussed at the present meeting it will be presumably because we wished the discussion to be postponed, but the very fact that we and not Germany are the cause of this question remaining unsettled makes it all the more incumbent on us to abide by the pledge given at Locarno not to make use of the League scheme in the meanwhile.

If the French have themselves asked for the postponement, well and good; they must be prepared to take the consequences, and I quite agree with you that there is no reason why we should raise the question so as to make sure that they realise what the consequences may be. If, on the other hand, the French have consented to postponement merely to oblige us, it is up to us to do what we can to minimise the dangers of the hiatus. We need not say anything about it to them until they raise the question. But if they do we will have I suppose to tell them straight away that we cannot possibly agree to postpone arbitrarily the withdrawal of the Control Commission once it has finished its work. In that case however in order to show our good will we might offer as an alternative that if and when the Commission is to be withdrawn, the Allied governments should insist on the German government giving the same undertaking as they gave in the case of aeronautical control, to the effect that they recognise that article 213 of the Treaty comes into play forthwith without prejudice to the objections made by them to the League scheme. The text of the undertaking is shown on page 7 of the enclosed Germany print, May 11, section 1.⁴ This would ensure that if a flagrant violation was committed during the hiatus the Allied governments would not be precluded by their Locarno undertaking from agreeing to the Council ordering an *ad hoc* investigation provided they did not actually make use of the machinery provided for in the League scheme of the 27th September, 1924. I confess that it does not amount to much, but it would help to reassure the French.

Yours ever,
ORME SARGENT

³ The enclosed copy of Sir W. Tyrrell's letter of January 23 to M. de Fleuriau, printed in Volume I as No. 199, is not reprinted.

⁴ The enclosed copy of the air agreement initialled on May 7 (cf. No. 29, note 1) is not reprinted. The German undertaking in question was contained in the letter from the German Ambassador in Paris to the President of the Conference of Ambassadors printed in *League of Nations Treaty Series*, vol. lviii, pp. 338-41.

Sir R. Hodgson (Moscow) to Sir A. Chamberlain (Received October 4)

No. 672 [N 4423/2017/38]

MOSCOW, September 17, 1926

Sir,

With reference to my despatch No. 616¹ of August 27th., I have the honour to report that I am now in receipt of a reply on the subject of Mr. Paton's complaints of improper actions on the part of officials of the State Political Department. I was told yesterday that the commission sent to Vladivostok to investigate the charge made by his typist had completed its examination, that the assertions of this lady had not been proved, and that the commission was of the opinion that they were unfounded. Such procedure as that imputed to the local officials, had it been substantiated, would have been strongly reprobated by the responsible authorities.

2. I replied that I thoroughly disbelieved in the finding of the commission, that the procedure of which Mr. Paton complained is such as is habitually employed by officials of the State Political Department from one end of Russia to the other, and that in the particular case under enquiry the circumstances as recounted are consequent in themselves and bear the stamp of veracity. As for the repudiation of the methods alleged to have been employed in this instance, though grateful for the assurance that they were disapproved by the State Political Department, I could not have anticipated that any other view of them could have been taken.

3. Monsieur Chicherin, when I first approached him on this subject, apprehended either that the official incriminated would deny the charge or that he would bring some trumped-up allegation against his accuser. These previsions have been justified. To insist upon further investigation of the case would, however, be useless now that Mr. Paton's typist has left the country.

4. Even as things are, however, I consider that some good has been achieved. In the first place, it is not without significance that a special commission was sent to Vladivostok to conduct an enquiry: this in itself is sufficient proof that not only the Commissariat for Foreign Affairs but the State Political Department also appreciated the seriousness of the issue. Secondly, from the language used to me in the Commissariat, I convinced myself that it was thoroughly distasteful to it that once more a British official should have grounds for preferring a charge which placed the Soviet authorities in so unpleasant a light. As for the outcome of the enquiry, I remain of an open mind as to whether the conclusion communicated to me was the true one or not for, unless proof positive was produced—and in the circumstances, when the only witness had fled the country, this was impossible—it was too much to expect of the State Political Department that it should admit to me the culpability of its agent, even though this were in fact established by the investigation.

I have, &c.,

R. M. HODGSON

¹ See No. 96, note 2.

Mr. Roberts (Geneva) to Sir A. Chamberlain (Received September 20)

No. 57 L.N.C.C. [W 8951/78/98]

Confidential

GENEVA, September 18, 1926

Sir,

Since I wrote my despatch to the Foreign Office No. 25 L.N.C.C.¹ (D.3) of the 21st August, Sub-Commission 'A' has been engaged in examining alternative methods of reducing and limiting armaments (Question[s] II(b) and III). This is the most important part of its programme and it has made fair progress. It has not, however, yet covered all the ground and will continue this question when it reassembles on September 27th.

2. At the start of the discussion the Sub-Commission wisely decided to follow the procedure adopted in the case of Standards of Comparison and to resolve itself into its three component committees.

3. The Military Committee alone has completed its study of this Question and has included in its survey the following methods of limitation:—

- (1) Limitation of effectives with the colours;
- (2) Limitation of the term of service;
- (3) Limitation of the material in use and in reserve;
- (4) Limitation of the large peace-time units;
- (5) Limitation of trained reserves.

4. Under the first heading (Limitation of Effectives with the Colours) two principal alternative schemes have been put forward. The first contemplates limiting the entire effectives of every kind, whether military or organised on a military basis, of the land forces, trained and untrained, of the mother country and its overseas territories. Under the second scheme limitation would be applied separately to (1) military effectives detailed for the defence of the home territory; (2) effectives organised on a military basis stationed in the home territory, and (3) total effectives detailed for the defence of overseas territories. It is understood that the method favoured on the whole by the French is a combination in some form of these two schemes.

5. In tackling this question, the Military Committee decided to set out in its report all methods of limitation which commanded a certain measure of support and to enumerate the advantages and disadvantages of each method. In this way it has been able to reach agreement on most points. There has, however, been a strong divergence of opinion on the question of trained reserves. The French obtained a majority in favour of defining trained reserves as (1) men who in peace time have received military training, and (2) men who in peace time have received special technical training which enables them to be used in a military capacity as technical personnel.

¹ No. 169.

A minority composed of the Americans, British, Finnish, German, Spanish and Swedish Delegations dissented from this view and presented a separate declaration. In this they pointed out that the inclusion among 'trained reserves' of technically skilled civilians was unjustifiable since those men had received no military training and belonged more properly to the elements which went to form the ultimate war strength of a country. Moreover, such a definition was incompatible with a decision reached by the Sub-Commission upon Question I where specialists of all kinds were definitely excluded from 'trained reserves'.

6. I have the honour to enclose a copy of a memorandum drawn up by the representative of the War Office on the extent to which the French are prepared to go in limiting their land armaments. As far as I can judge from the whole of the discussions which have taken place here on this subject, and from statements made from time to time in private conversation by members of the French Delegation, I believe that the French attitude is accurately stated in this paper.

7. The Air Committee have also made fair progress and have agreed to put forward in their report four alternative methods of limiting Air Armaments, together with such comment thereon as is considered to represent fairly the views of the Committee. These four methods may be summarised as follows:—

(1) Limitation of the total air personnel of every category employed in peace-time effectives, specifying separately the number of pilots;

This is understood to be the method favoured by the Japanese, who have not, however, definitely committed themselves to it.

(2) Limitation by numbers of aircraft of service types to be maintained in commission in first line combatant units of the Metropolitan Forces.

This is of course the formula adopted by the Committee of Imperial Defence. Its advantages are set out in C.I.D. paper No. 682(B)² and need not be repeated here. Among the disadvantages attaching to this method, the Air Committee point out:—

(a) that it is incomplete as not including reserve military aircraft;

(b) that it ignores the other characteristics such as horse-power and lift tonnage on which, in addition to numbers, depends the relative military value of machines and that it would therefore encourage the building of large high powered bombing aircraft; and

(c) that it does not take into account civil aircraft which have, in the opinion of the Air Committee, a military value for purposes of war.

(3) Limitation of lift tonnage, i.e. the useful load that an aeroplane is capable of carrying.

The American Delegation maintains that if limitation is to be applied to material rather than personnel this is the most practicable method of limitation.

² Not printed. This paper was that summarized in No. 2, note 2.

(4) A method combining (a) limitation of the total horse-power of all engines fitted in military aeroplanes in service and the total volume of military dirigibles in service, and (b) limitation of all budgetary expenditure by the various States on their aviation services as a whole, i.e. both military and civil.

This is the method favoured by the French. The Committee have completed their report on the first three methods but will resume their discussion of the French proposal after the adjournment.

8. The discussions in the Air Committee show that two principal methods of limiting Air Armaments at present hold the field. We have put forward a scheme which, being confined to aircraft in first line units, is necessarily incomplete but which we consider simple in character, compatible with our general idea of proposing a modest first step in place of a comprehensive scheme of disarmament and capable of application without the need of supervision. Although our proposal has been sympathetically received, it is quite certain that it does not command the support of any considerable number of countries in so far as their views have been made known in the Air Committee.

On the other side there is the French proposal which is based on a total horse-power allotment leaving each country to divide up its allotment among such types and numbers of machines as it considers advisable. This method is to be combined with a limitation of all budgetary expenditure on military and civil aviation. It thus includes the factor of civil aviation which has been present in the minds of the Air Committee throughout their discussions, and on which very strong emphasis has been laid by almost every country represented thereon except the Americans and ourselves. It is beyond question that in the opinion of the majority of the Committee the development of civil aviation and the possibility of limiting military aviation are closely related. The Committee recognises of course that the question of limiting civil aviation does not lie within its competence but it appears probable that the majority are of opinion that civil air fleets are a factor of such potential military value as seriously to hamper the prospects of any agreement as to the limitation of military air armaments which disregards this factor.

9. Progress in the Naval Committee has been proportionately slow. A great deal of time was wasted at the start in an attempt to draw up the preamble on 'general principles' applicable to all methods of naval reduction and limitation. In general, the same divergence of opinion has been disclosed between, on the one hand, the British and American view, and on the other the view of most of the continental nations as was apparent during the discussions on standards of comparison. So long as views so entirely opposed are maintained *in integro* it is difficult to see how any further discussion in the Naval Committee can result in any measure of agreement.

I have, &c.,

W. ST. C. ROBERTS

ENCLOSURE IN NO. 215

Memorandum by Colonel Temperley

T. 51

Secret

GENEVA, September 3, 1926

1. The extent to which the French are prepared to go in Limitation of Armaments, and the arguments which they will probably use are now fairly clear and it will be convenient to embody them in a memorandum.

2. They absolutely refuse to limit trained reserves in any way and endeavour to concentrate the whole of the attention of the Commission upon effectives with the Colours. As the striking power of a nation consists of its trained reserves, which can immediately fill the ranks of the peace-time army, it follows that they are firmly determined not to decrease the war strength of their country by a single man.

3. They refuse to limit the annual contingent—a method of limitation which would of itself produce in course of time an automatic diminution of reserves. They say that the only principle upon which nations will accept conscription is the principle of 'égalité'. They say that no Government which proposed to limit the annual contingent either by the introduction of the ballot or by any other means could exist in France for a week. In this they are supported by other Delegations. It may, however, be pointed out that the ballot exists in Holland and works without friction. It is difficult to see why it cannot be introduced elsewhere.

A limitation of the annual contingent would, in fact, be one of the simplest and most effective methods of Limitation of Armaments. It relieves the personal burden imposed upon the male population and thereby reduces the proportion withdrawn from productive work; it reduces the financial burden; and it automatically limits the trained reserves. It is unfortunate that the French should have created so large a bloc on the Sub-Commission against this method.

4. The French, probably for financial reasons, realise that it will be impossible to continue to give the whole annual contingent the same amount of training. They are, therefore, considering whether it will be possible, after calling the whole class to the colours, to give a certain proportion of them some kind of intensive militia training for 4–5 months. This will be useful as a gesture towards reduction of armaments and, if coupled with an intensification of repetition training of reserves of this category, will not entail any diminution in the efficiency or the strength of the trained reserves as a whole.

5. They are prepared to accept a reduction of service with the colours from eighteen months to one year. This has, in fact, been considered for some time as a concession to the pressure of French public opinion and has really nothing to do with any proposals for Limitation of Armaments. It will, however, be exploited as a reduction made prior to a Disarmament Conference. They propose to claim that, with a class of 200,000 trained for one year, it will in fact consist of only 100,000 *trained* effectives, as the other half of the contingent will have less than six months' service. They will contend,

therefore, that their army is reduced to the level of the German army, which consists of 100,000 trained long-service men. They entirely ignore the question of reserves, which is really the main factor in computing the fighting strength of a State. The French consider that reduction to 1 year's service will necessitate the engagement of at least 75,000 more long-service non-commissioned officers and soldiers and will increase the military budget by some 800,000,000 francs.

6. The French have expressed their willingness to accept the same kind of supervision of their armaments as the League proposes to adopt for ex-enemy countries, provided that the other countries will do the same. Their object undoubtedly is to prevent Germany at some future time getting the League scheme upset on the ground that other Powers have repudiated it for themselves or described it as technically unworkable. They fear that this will encourage Germany to claim that the application of the scheme is incompatible with their new international position.

7. They will probably be prepared to accept a certain limitation of material in service but not in reserve. They will, however, point out that this necessarily entails supervision, which they are prepared to accept. As certain other Powers have declared that they will not accept any supervision, the French may be expected to say that obviously a limitation of material is impossible.

8. To sum up, it may be said that the French will accept a reduction of the period of service and, in principle, the League scheme of supervision of the armaments for ex-enemy countries. This cannot be considered to be a very serious contribution from the most formidable military Power in Europe. Their refusal to do more appears to be dictated entirely by fear of Germany and by no other reason.

A. TEMPERLEY

No. 216

*Memorandum by Viscount Cecil (Geneva)*¹

[C 10216/71/18]

GENEVA, September 18, 1926

I went to pay my respects to Dr. Stresemann this afternoon, who received me with great cordiality. He was in great spirits, telling me that his position in Germany was stronger than it had ever been, that 80% of the German people were in favour of the League and that Hoe[tz]sch, the leader of one of the Nationalist parties, was himself a supporter of the League though he

¹ This memorandum was received in the Foreign Office on September 20 under cover of Geneva despatch No. 34 L.N.A. (not preserved in Foreign Office archives). Lord Cecil was attending the fourth session of the Committee of the Council of the League of Nations and the second session of the Preparatory Commission for the Disarmament Conference which met at Geneva on September 18 and 27 and September 22 and 27 respectively. The official minutes are printed in League of Nations, *Documents of the Preparatory Commission for the Disarmament Conference*, Series III (Geneva, 1927), pp. 39-43 and 9-29 respectively.

dared not say so in public. He was full of praise of Briand, with whom he had talked four hours and a half yesterday,² and who apparently has agreed to the settlement of the questions of occupation and of the Saar at the December meeting of the Council, unless I misunderstood Dr. Stresemann's rather explosive English.

I took the opportunity of tendering to him my services if I could help any of his associates or himself as to procedure etc. of the League. He replied warmly and told me that he wished to see me on Monday about the business of the Council.³ Incidentally, he observed he had had some difficulty with Hindenburg because he had insisted on bringing members of the Reichstag with him, the truth being, as he told me, that Hindenburg did not realise that we were living in the twentieth century.

As far as I was able to judge, Dr. Stresemann is genuinely anxious that Germany should play her full part in the League and take a share in all its activities.

R. C.

² At Thoiry. For records of this conversation by Dr. Stresemann and Professor Hesnard of the French Embassy at Berlin see respectively *Gustav Stresemann, op. cit.*, vol. iii, pp. 17-26, and Georges Suarez, *Briand: Sa Vie—Son Œuvre* (Paris, 1938), vol. vi, pp. 218-27 *passim*. *V. ibid.*, p. 227, for the communiqué issued after the conversation.

³ No record of such a conversation on Monday, September 20, has been traced in Foreign Office archives.

No. 217

The Marquess of Crewe (Paris) to Sir A. Chamberlain
(Received September 21, 8.30 a.m.)

No. 361 Telegraphic: by bag [C 10263/10060/18]

PARIS, September 20, 1926

My telegram No. 360¹ of yesterday.

2. Monsieur Berthelot informed me this morning that matters were discussed at Thoiry between Monsieur Briand and Herr Stresemann in the most general way, and that no details were gone into. Even that subject which was so important from the French point of view, viz., the possible mobilization of the German railway bonds under the Dawes plan, was only touched upon in the lightest possible manner. Monsieur Berthelot thinks that Monsieur Briand will not encounter any serious difficulties from his colleagues at tomorrow's Ministerial Council, at which he will tell them what occurred at Thoiry. Later on, however, when the French and German governments get to grips over details, Monsieur Berthelot thinks it highly probable that Monsieur Poincaré will be inclined to postpone any decisions which he may consider to be too favourable to the Germans. Monsieur Briand, however, is

¹ Not printed. This telegram reported on reactions in France to the Thoiry conversation and stated in particular: 'Public opinion, whilst recognising the supreme importance of Thoiry, seems to be taken aback by the speed with which Monsieur Briand is proceeding. It cannot, however, so far as it has hitherto been expressed, be said to be unfavourable to the far-reaching implications contained in the communiqué.'

determined to remain master in his house, and Monsieur Poincaré in the end will have to give way. Monsieur Berthelot does not seem to be in the least alarmed about any opposition on the part of Monsieur Louis Marin,² who, he declares, carries little weight, and will not push matters to the point of resigning from the Cabinet.

3. Monsieur Berthelot informs me that Mr. Wickham Steed³ told him that he had recommended Herr Stresemann before the Thoiry interview not to confine himself to asking for 'hors d'œuvres', but to insist upon being served at once with the joint.

4. Several important organs of French public opinion continue to abstain from any comment on the interview. The attitude of the press in general is one of not hostile reserve.

² French Minister of Pensions.

³ Proprietor and editor of the *Review of Reviews* and a former editor of *The Times*.

No. 218

*Sir E. Howard*¹ (Washington) to *Sir A. Chamberlain* (Received October 4)
No. 1196 [N 4451/55/38]

WASHINGTON, September 20, 1926

Sir:

I saw the Secretary of State today and asked him whether there had been any change of policy on the part of the Administration as regards recognition of Soviet Russia, upon which question you requested information in your despatch No. 1074² of August the 13th.

(2) Mr. Kellogg said that he had not received any new application from the Soviet Government for recognition. He added that he could see no reason why the policy of the United States Government should change in this respect, and that the three preliminary conditions for recognition as laid down by Mr. Hughes,³ viz:—cessation of all propaganda; recognition and funding of loan made to the Kerensky⁴ Government; and settlement of American claims for property seized and destroyed during the revolution, still held good.

(3) As regards the possibility of pressure for recognition being brought to bear upon the State Department by American business interests on the ground of commercial expediency, I attach a memorandum⁵ by the Commercial Secretary outlining the reasons for believing this to be extremely unlikely, and I concur in his opinion.

I have, &c.,
ESME HOWARD

¹ H.M. Ambassador at Washington.

² American Secretary of State, 1921–5.

⁴ M. A. Kerensky was Minister of Justice from March to May, Minister of War and Marine from May to July, and Prime Minister from July to November in the Russian Provisional Governments of 1917.

³ Not printed.

⁵ Not printed.

P.S. Since writing the above, the Polish Minister, M. Ciechanowski, has told me that he has good information that the financial interests in New York (presumably the Chase National Bank, which has been financing Russian transactions in this country) are endeavouring to put pressure on the Soviet Government to approach the United States Government again for recognition, and that the State Department, provided always the Russian Government is ready to fulfill the Hughes conditions, would be prepared to consider the question. M. Ciechanowski said he believed that the Russian Department of the State Department had been unusually active lately in preparing material for a possible early resumption of negotiations with the United States Government.⁶

E. H.

⁶ In a letter of October 29 to Northern Department, Washington Chancery further reported that the Convention of the American Federation of Labour at Detroit had unanimously voted against sending a labour mission to Russia. The letter continued: 'As regards the attitude of the United States Government, Balfour [Second Secretary] of the Embassy had occasion yesterday to talk with Preston Kummmler, a member of the Eastern European Division of the State Department. Kummmler said that the Department had noticed recent references in the press to the possibility of negotiations in the near future between the United States Government and the Soviet Government. No credence was, however, to be attached to these reports which were presumably put out as feelers by persons who were engaged in trade with Russia and favoured United States recognition of the Soviet Government. He said that certain New York bankers, (he did not mention their names), had recently called at the State Department to enquire what action had been taken towards recognition and had then been informed that there could be no move in this direction until the Soviet Government undertook to recognise Russia's debt to the United States. This would seem to dispose effectively of any reports to the contrary. It would thus seem that the desire for a *rapprochement* with Soviet Russia is at present confined to certain financial circles engaged in trade with the Soviets. . . .'

No. 219

Mr. Phipps (Paris) to Sir A. Chamberlain (Received September 22, 8.30 a.m.)

No. 362 Telegraphic: by bag [C 10289/10060/18]

PARIS, September 21, 1926

My telegram No. 361¹ of yesterday.

2. The following official communiqué was issued after today's Ministerial Council:—

'Monsieur Briand informed the Council of the attitude and work of the French delegation at Geneva. The government congratulated him on the results obtained. Monsieur Briand also informed the Council of his conversations with Monsieur Stresemann. The government was unanimous as to the interest of these conversations and the utility of pursuing them. An examination of the technical problems which these negotiations may raise will be undertaken at the next Councils.'

3. I learn from a good source that Monsieur Briand's adversaries are trying to blame him for not showing sufficient regard for His Majesty's

¹ No. 217.

Government in proceeding so quickly towards a Franco-German 'rapprochement'. On the other hand, I am informed by a British press correspondent in Paris that the Press Bureau at the Quai d'Orsay yesterday were anxious that the British press should not take up too enthusiastic an attitude in regard to the Franco-German 'rapprochement', for, were they to do so, Monsieur Briand's enemies would accuse him of being too subservient to Great Britain. It is clear, however, that if the British press showed any marked hostility to the 'rapprochement [*sic*]', Monsieur Briand's adversaries would likewise not fail to take advantage thereof. A tone of mildly sympathetic reserve would, therefore, in the eyes of the Quai d'Orsay, apparently suit Monsieur Briand best.

No. 220

Mr. Phipps (Paris) to Sir A. Chamberlain (Received September 24, 8.30 a.m.)
No. 363 Telegraphic: by bag [C 10346/10060/18]

PARIS, September 23, 1926

Herr Stresemann's remarks at his 'Bierabend' the day before yesterday,¹ and particularly his declaration that Germany's admission into the League proved that the accusations brought against her in regard to her war responsibility were abandoned, have produced a most unfortunate impression on the French press.

The 'Temps' declares that Herr Stresemann's remarks were peculiarly inopportune and that this unfortunate incident is of a nature to disturb the atmosphere created by the Thoiry interview. If such an incident were to be repeated, the contemplated Franco-German conversations would certainly not be facilitated. The 'Temps' adds that if Germany wishes the Rhineland to be evacuated she will have to make heavy financial sacrifices.

Monsieur Berthelot has upon several occasions recently informed me that he had inspired the leading article in the 'Temps', and it is likely, therefore, that this evening's article is intended as a warning to Herr Stresemann.

¹ For a translation of Dr. Stresemann's remarks see *Gustav Stresemann, op. cit.*, vol. iii, pp. 29-33. See also his press statement on September 22 as printed *ibid.*, pp. 33-35.

No. 221

Memorandum¹ by Viscount Cecil (Geneva)
[W 9494/78/98]

GENEVA, September 24, 1926

Mr. Gibson, the American Minister, called on me this afternoon. He began by asking me to assume that he had gone through all the proper diplomatic prolegomena and he came to the real point, which was that he was anxious that before any disarmament conference took place the British

¹ This memorandum was entered on the Foreign Office file on October 6.

and American naval authorities should get together so as to be quite certain that they had a common policy. In one phrase he also alluded to the Japanese, so that the three chief naval powers might be agreed, but he never returned to that aspect of the subject and I gather he did not attach any importance to it. His feeling was that, though we were pretty well agreed so far on all the technical matters that had been discussed, yet it might well be that on some political or semi-political question we should find ourselves out of accord, and that would greatly lessen our power of getting a settlement which would suit us. He said he had no special matter in his own mind, but he asked me if I thought there was any particular question which we might discuss.

I told him that before I left London I had received instructions that, if he approached me in any naval matter, I was to talk to him quite freely, that there were certain limitations as to what we could do in the way of further naval disarmament which I was quite ready to discuss with him, but that in any case I must listen to everything that he had to say and to answer any questions that he was good enough to put to me.

We then talked very generally about cruisers and submarines. I told him that our Admiralty were quite ready to see a reduction in the size of cruisers, but that they must have a certain number of them in order to guard our lines of communication. He replied that the American Government fully realised that, but that it would be very difficult for them to agree formally that they should be not entitled to build as many cruisers as we did. I said I did not understand that our naval authorities objected in any way to that. It was not so much the relative number of cruisers, it was the absolute number that was essential to us.

I then mentioned submarines, and he said there was a difference of opinion in America as to the desirability of submarine building, some holding, for instance, that the Americans must be prepared to construct large submarine cruisers for the purpose of defending the Philippines; others took precisely the opposite view and thought that the Philippines would be much safer if the Japanese were precluded from constructing such large submarines; and he added reflectively that perhaps the whole difficulty might be avoided if submarines were altogether forbidden. I said that would be undoubtedly what would please us best, but I anticipated enormous difficulties from the French and Italians, and he agreed that they were almost hysterical on the subject. In the end we agreed that I would seek further information from the Admiralty when I got home, but that I thought it would be an excellent thing for our naval representatives to meet and go through very carefully the probable proceedings at the conference if and when it took place, so that they could arrange what line they were to take on any question that arose. He said that that was exactly his idea, and he hoped that that might be done. It will be for the Admiralty to judge whether Admiral Aubrey Smith is the representative which they would select for such a very important negotiation.

This move of the Americans is a little interesting, because it immediately follows an attack that has been made on the English and Americans in con-

nection with disarmament, by a French writer in one of the smaller Genevese papers who is supposed to be the mouth-piece of Monsieur Loucheur. The attack suggested that we were not in earnest in disarmament, and that we had some dark design or other to lay Europe, or at any rate France, defenceless at our feet.² It is incredible that the French should be so utterly silly as to induce by attacks of this kind the Americans to come even closer to us than they are already in this matter, let alone the disadvantage of creating additional difficulties in the way of a settlement of the American debt negotiations; but the incident is so thoroughly characteristic of the way the French are perpetually committing diplomatic suicide that it is perhaps worth recording.

R. C.

² Sir A. Chamberlain minuted on October 8 that Mr. Gibson had spoken to him in a similar sense before the publication of this press article.

No. 222

Viscount D'Abernon (Berlin) to Sir A. Chamberlain
(Received September 27, 9 a.m.)

No. 261 *Telegraphic* [C 10455/10060/18]

Copy

BERLIN, September 26, 1926, 7.53 p.m.

I had a long conversation yesterday with the Minister for Foreign Affairs regarding Geneva and Thoiry.

He has returned from the League of Nations in exuberant spirits, delighted by the reception which he met with at Geneva and still more by the reception accorded him on his return to Germany. He said his house was like a flower show and so full of bouquets that he could hardly enter. In addition to flowers there were presents of wine, of chocolate and of every conceivable condiment. These came largely from individuals of the lower and lower-middle classes and not at all from organised political associations. This demonstration was an excellent augury for the maintenance of the Locarno and Geneva policy.

The only fly in the ointment was the bad effect of his speech to the German club in Geneva.¹ He frankly regretted the incident but he had been monstrously misrepresented. The speech was made at 1 o'clock in the morning, after two dinners, to a small gathering of minor shopkeepers, principally hairdressers. He could not remember exactly what he had said but he was confident that it was nothing important: this impression was confirmed by all his colleagues who were with him. His words had been falsified by a German National reporter who rang up Havas² at 3 a.m. intending to wreck the Stresemann policy. If he had desired to raise large issues like the colonial question and war guilt, would he choose such a place and such an audience? However, he thought the incident would soon be forgotten. It was absolutely foolish to attach undue importance to it.

¹ See No. 220.

² The French news agency.

Regarding the conversation with Briand at Thoiry, he gave an amusing account of his escape from the reporters at Geneva.

Stresemann was enthusiastic about Briand's attitude, having found him more ready to enter upon a full discussion than he had expected. It was no longer a question of security to be maintained by the occupation of the Rhineland—it was rather a bargain between two practical men who were prepared to make one another reciprocal concessions against value received. This was a basis on which a mutually beneficial result might be achieved.

The result he aimed at for Germany was the complete liberation of the Rhineland from foreign occupation. The main result Briand appeared to aim at for France was financial assistance derived from the sale of a section of the railway bonds now in the hands of the Trustee. The press had talked of an amount of 8 milliards.³ There was no foundation for this. Stresemann had mentioned a figure of 1½ to 2 milliards as a maximum. But the total amount was not a matter which could be settled by politicians or at Thoiry—it depended upon the investing public and must be discussed with bankers in London and New York.

Stresemann fully realised that the main point on which German consent was necessary was a guarantee regarding the transfer of the amount required for the service of the bonds issued.

Stresemann said at the close of the interview that he had given essentially full though informal account of what had taken place at Thoiry. He hoped that in transmitting this to London I would insist upon the confidential character of what he had said: he was anxious not to appear to anticipate French information. He did not know how far the French Ambassador in London was informed regarding the Thoiry conversations or what communication he had made regarding them.

Regarding the particular points on which France desired satisfaction, such as the patriotic associations, the strength of the German police, and the minor details of disarmament which had not yet been executed, Stresemann thought there would be no great difficulty here in the light of the general satisfaction at the Geneva solution. It would be understood that a further stage on the road to the greater pacification was contemplated.

Copy by cypher despatch to Coblenz No. 11.

³ Of gold marks.

No. 223

Viscount D'Abernon (Berlin) to Sir A. Chamberlain

(Received September 27, 9.30 a.m.)

No. 262 Telegraphic [C 10482/10060/18]

BERLIN, September 27, 1926, 9.10 a.m.

My telegram No. 261.¹

Thinking over Dr. Stresemann's lively but necessarily incomplete account of the Thoiry conversation, I am impressed with the danger of an undue

¹ No. 222.

extension of these lovers' meetings if the subject of finance is involved. Neither of the statesmen concerned is equipped with a technical knowledge of financial detail nor endued with a temperament which would facilitate its acquisition. There is consequently a risk that they will get on to a romantic basis from which it will be difficult to retrieve the discussion. It would appear desirable that we should participate at the earliest stage in the ventilation of any proposal which involves finance. It may be less arduous and less invidious to guide the debate at its commencement than to intervene with a veto.

No. 224

Sir W. Tyrrell to Mr. Phipps (Paris)

No. 2756 [C 10298/269/18]

FOREIGN OFFICE, *September 27, 1926*

Sir,

With reference to Lord Crewe's despatch No. 1681¹ of the 6th September relative to the alleged presence, on the 8th August last, of a Reichswehr detachment at Oberkirch, in the demilitarised zone, I transmit to you herewith, for your guidance, a copy of correspondence with the War Office² regarding technical violations of article 43 of the Treaty of Versailles.

2. You are hereby authorised, if you see no objection, to submit to the Ambassadors' Conference a memorandum on the lines set forth in the Foreign Office letter of the 17th September, in answer to the French delegation's note of the 3rd September.³

I am, &c.,
(For the Secretary of State)
C. HOWARD SMITH

ENCLOSURE IN No. 224

Letter from the Foreign Office to the War Office

[C 9815/269/18]

FOREIGN OFFICE, *September 17, 1926*

Sir,

I am directed by Secretary Sir Austen Chamberlain to transmit to you herewith, to be laid before the Army Council, a copy of a despatch¹ from His Majesty's Ambassador at Paris forwarding a memorandum from the French Delegation to the Ambassadors' Conference calling attention to an alleged

¹ Not printed. This despatch transmitted the note of September 3 from the French delegation to the Conference of Ambassadors which is summarized in the first paragraph of the enclosure below.

² The War Office's reply of September 21 (not printed) stated that 'the Army Council entirely concur' in the Foreign Office letter printed below.

³ Lord Crewe transmitted in Paris despatch No. 1868 of October 8 a copy of a note of the same date to the Secretariat General of the Conference of Ambassadors in accordance with the present instructions.

violation of article 43 of the Treaty of Versailles through the presence on the 8th August of Reichswehr detachments at Oberkirch in the demilitarised zone. It will be observed that the French Delegation consider it necessary to settle once and for all with the German Government the whole question of sending Reichswehr detachments on one pretext or another into that area.

2. Similar trivial but technical violations of article 43 have recently come to light, and it has been considered necessary to draw the attention of the German Government to instances where a military band has been reported to have attended some local celebration in the Rhineland, and to the transit of three companies of German infantry on July 5th through the railway station at Appenweier.⁴ In these circumstances, and in view of the entry into force of the Locarno Treaty, the Secretary of State is inclined to agree that the time is now come to review the whole question.

3. From the legal point of view he is advised that the despatch of any Reichswehr detachment to the demilitarised zone whether armed or unarmed and irrespective of the object of the visit, is a technical infringement of the treaty. Although the German Government (apart from certain verbal representations made at Paris as regards military bands),⁵ have not officially challenged this view, it is possible that they may do so on the ground that the provisions of an article which forbids the maintenance and assembly of 'armed forces' do not apply to a military band or to any unarmed detachment. Such a contention must obviously be unfounded and cannot be accepted as a true interpretation of the intentions of the treaty, since there would be otherwise nothing to prevent the German authorities from maintaining in the zone a whole army corps provided that its weapons were stored elsewhere. The correct view, on the contrary, is that the presence of any formed body belonging to the German army is technically a breach of article 43, but whether it amounts to a breach which is to be regarded as one for practical purposes must depend on the circumstances of each case.

4. The question now to be considered is how these technical infringements of the Treaty can best be dealt with in future. Hitherto the allied governments have decided in each case on their own authority whether an incident which has taken place constitutes a breach of the treaty, and have acted accordingly; in 1920, for example, French troops occupied Frankfort in retaliation for the entry of the German forces into the Ruhr, and this year the Ambassadors' Conference has protested to the German Government against the passage of German military bands and detachments through the Rhineland. But the situation has been changed by the entry into force of the Locarno Treaty. Under paragraphs 1 and 2 of article 4 of that treaty the ex-allied governments have agreed to submit alleged violations of the demilitarised zone to the Council of the League, who shall decide whether or not a violation has been committed. It will be for the Council of the League rather than the Ambassadors' Conference to deal in future with all such alleged violations of the treaty. On the other hand it was obviously not the

⁴ See Volume I, No. 140, note 6, and in the present volume No. 163.

⁵ See Volume I, No. 503, note 5.

intention of the signatories of the Locarno Treaty that the time of the Council should be taken up with such trivial questions, which moreover would acquire a fictitious but nevertheless dangerous importance by being thus treated.

5. Unless, therefore, the French and Belgian governments are prepared tacitly to connive at unimportant violations of article 43, it is highly desirable that some form of agreement should if possible be reached between the guarantors of the Locarno Treaty and the German Government for the purpose of defining a technical violation, (e.g. deciding whether the visit of military bands is or is not a violation) and of setting up some easily worked machinery whereby the German Government will be able to obtain the guarantors' permission to commit a technical violation.

6. It has been suggested that the German Government should apply to the Rhineland High Commission for authority to commit these technical violations, but the High Commission has itself pointed out that this would involve an extension of its Treaty powers, which are limited to the occupied territories, and it is unlikely that the German Government would contemplate such a solution especially now that the Locarno Treaty is in force.

7. But, as stated above, the question is now one for the League rather than for the ex-allied governments to decide. This being so the most suitable opportunity for discussing the subject would appear to be when the League scheme for investigations under article 213 of the Treaty of Versailles is reconsidered next December in the light of the German Government's objections. It is true that one of these objections is to the effect that the investigations cannot legally be applied to article 43, which is not one of the military clauses of the treaty. However this may be, it will be necessary to make some provision whereby the League Council which, under the Locarno Treaty, may be called upon at any time to decide whether a violation of article 43 has taken place, shall have the right to carry out investigations under that article. The negotiations which are bound to take place on this point will offer an obvious occasion for settling in agreement with the German Government on a definition, which might conceivably be embodied in the League scheme, of what does and what does not constitute a technical violation of article 43, and for devising a scheme whereby some body dependent on the League, possibly composed of members of the Permanent Advisory Commission set up under article 9 of the League Covenant, or of officers whose names appear on the panels from which the members of the committees of investigation are to be drawn, should be set up to consider applications from the German Government and to authorise them to commit technical violations of article 43.

8. I am to enquire whether the Army Council concur in these views and whether they would see any objection to a proposal on the lines set forth in this letter being laid before the Ambassadors' Conference by His Majesty's Ambassador at Paris in reply to the French memorandum enclosed in this letter.

I am, &c.,
ORME SARGENT

Viscount D'Abernon (Berlin) to Sir A. Chamberlain (Received September 29)
No. 667 [C 10502/10/18]

BERLIN, September 27, 1926

Sir,

It may be convenient for you to have a summary of the financial operation which is contemplated as part of the Thoiry negotiation.

2. The press has given an exaggerated idea of the amounts under discussion. As reported in my telegram No. 261¹ there has been no talk about 8 milliards.² Stresemann told Briand that he considered 1½ to 2 milliards proceeding from the sale of the railway bonds as a maximum. Other authorities consider this amount excessive and as more than the market can take.

3. Briefly it is considered possible that the Allied Governments might sell to a banking syndicate about 70 millions sterling of 7 per cent railway bonds. These might be placed between 90 and par. The operation, if successful, would give the French Government about 30 millions sterling, the share of the English Government being 15 millions.

4. As it is clear that no issue could be contemplated in New York or London unless a financial settlement had been come to regarding French debts to England and the United States, it is held that the proposed operation would accelerate the ratification of the English and American Agreements. It might also accelerate currency stabilisation in France.

5. The view is taken that if left to themselves the French Government will probably not have the courage to effect stabilisation at or about the present level of exchange. It will require some stimulus from outside or some assistance from foreign markets to induce them to take a firm stand regarding currency. Such stimulus would be afforded by the operation contemplated on the railway bonds. The history of German stabilisation points to the view that foreign assistance and guidance is requisite for the effective reform of a currency in disorder.

6. The effect of the proposed operation on the Dawes scheme and on transfer of Dawes payments from Germany to abroad is judged along the following lines—

The principal danger to stability of German exchange is considered in some circles to be the unsettled condition of French and Belgian exchange. If these currencies were stabilised, the danger of fluctuations in German exchange would be greatly diminished. It would therefore be desirable for Germany to agree to a definite obligation to transfer abroad the sum necessary to the service of the proposed issue of bonds provided that the result of this engagement was to facilitate and achieve stabilisation in France.

7. This, however, is only a secondary issue. The real objective for Germany is the so-called liberation of the Rhineland.

I have, &c.,
D'ABERNON

¹ No. 222.

² Of gold marks.

No. 226

Mr. Phipps (Paris) to Sir A. Chamberlain (Received September 29, 8.30 a.m.)
No. 368 Telegraphic: by bag [C 10486/10060/18]

Confidential

PARIS, September 28, 1926

I asked Monsieur Berthelot today what view he took of Monsieur Poincaré's speeches of yesterday and the day before in so far as concerned a Franco-German *rapprochement*.¹ As I expected, Monsieur Berthelot replied that these speeches in no way closed the door to the continuation of Franco-German conversations. Monsieur Berthelot, however, seemed anxious to impress upon me how important it was for the sake of French public opinion not to seem to proceed too hastily in the matter; in fact '*festina lente*'² is his motto for the present, and in this connection he expressed to me, in confidence, his regret at the rather exaggerated tone of Monsieur Briand's speech of welcome to the Germans at Geneva. Monsieur Berthelot, somewhat to Monsieur Briand's annoyance, told him quite frankly that this speech was couched in too lyrical terms to suit the present state of public opinion in France. However, that was past, and the important thing now was to avoid any appearance of undue hurry in regard to the evacuation of the Rhineland etc., and especially not to consent thereto until the Germans had given something really worth having in return. Monsieur Berthelot is nevertheless convinced that, if due caution be shown, the Locarno policy cannot now be reversed either in France or in Germany, and thinks that Monsieur Poincaré quite realises that if he should attempt to oppose it he would speedily fall, and be replaced by a Briand-Caillaux combination which, so far as it is possible to foresee, will in any case eventually succeed the present ministry.

¹ For reports of these speeches at Saint Germain and Bar-le-Duc see respectively *The Times* of September 27, p. 11, and September 28, pp. 13 and 14. In the latter speech M. Poincaré stated in particular as regards Franco-German relations: 'Aujourd'hui comme hier, la France reste prête à des essais de rapprochement, pourvu . . . qu'ils ne permettent pas de mettre en doute les responsabilités du gouvernement impérial dans la guerre . . .': cf. G. Suarez, *op. cit.*, vol. vi, p. 228.

² Hasten slowly.

No. 227

Aide-Mémoire

Verbal statement made by the French Ambassador to Sir W. Tyrrell,
September 28, 1926¹

[C 10495/10060/18]

M. Briand a dit au Chargé d'Affaires de Belgique qui l'interrogeait que les informations de presse relatives à sa conversation avec M. Stresemann étaient souvent exagérées ou inexactes.

M. Stresemann estime que le meilleur procédé d'arriver à une entente franco-allemande n'est pas la recherche d'accords de détails, mais la recherche

¹ The present text, and that printed as No. 228, is in the handwriting of M. de Fleuriau.

de 'solutions d'ensemble'. Quand il a voulu préciser ses vues, il s'est contenté d'indiquer que l'émission d'obligations du plan Dawes ne donnerait que des résultats modestes et qu'il serait disposé à en envisager de plus vastes, des arrangements à faire élaborer par des experts après accords entre les gouvernements sur les principes d'une solution d'ensemble.

Il a rejeté sur les milieux militaires du Reich [sic] les difficultés du désarmement; il voudrait en finir avec ces difficultés au moyen d'un nouveau régime dont il n'a pas précisé les termes, mais qu'il croit susceptible de fournir des éléments d'accord.

Il n'a parlé d'Eupen et de Malmédy que pour expliquer ses négociations avec la Belgique; une solution ne pourrait être portée à Genève qu'après entente avec Paris et Londres.

M. Briand considère son entretien comme une préface; le g[ouvernement] français procède à un examen approfondi de toutes les questions soulevées par ces négociations et se tiendra en contact étroit avec ses alliés.

No. 228

Aide-Mémoire

*Verbal statement made by the French Ambassador to Sir W. Tyrrell,
September 28, 1926¹*

[C 10496/10/18]

M. Briand tient à communiquer au Gouvernement britannique les instructions qu'il a adressées aux Ambassadeurs de France à Bruxelles et à Rome en vue de demander aux Gouvernements belge et italien de se joindre au Gouvernement français afin de représenter au Gouvernement des Etats Unis l'intérêt que le placement immédiat d'une première tranche des obligations des chemins de fer allemands (plan Dawes) présente pour la France, la Belgique et l'Italie.

Le 'Trustee' et le comité des Transferts qui sont, avec la Commission des Réparations, responsables du placement de ces titres, ont estimé jusqu'ici que la situation des marchés n'était pas favorable à cette opération. La situation serait certainement modifiée et l'opération facilitée si le Gouvernement des Etats Unis donnait son appui moral: par exemple en faisant connaître aux Banques américaines, qui le consultent toujours avant de faire des avances à l'étranger, son sentiment favorable au rapide placement des obligations. Cet appui moral du Gouvernement américain, la France, la Belgique et l'Italie le demanderait au raison de leur situation financière dont la restauration exige le concours de capitaux étrangers. Ces capitaux peuvent être trouvés dans les émissions successives des 16 milliards de marks or prévues par le plan Dawes. Ces émissions portent sur des titres parfaitement garanties et elles

¹ See No. 227, note 1.

épargneraient à la France, à la Belgique et à l'Italie de faire elles mêmes des emprunts à l'étranger. En facilitant ces émissions, le Gouvernement des Etats Unis rendrait le plus grand service, même le concours décisif à trois Etats traversant une crise financière difficile.

L'Ambassadeur n'est pas chargé de demander le concours du Gouv't britannique dont la situation financière est différente de celle des Gouv'ts français, belge et italien. Mais on espère que, si le Gouv't britannique ne joint pas ses efforts à ceux des trois Gouv'ts intéressés le plus directement, il voudra bien indiquer à Washington qu'il est favorable à leur initiative et que le moment lui paraît venu d'émettre une tranche importante des obligations du plan Dawes.

No. 229

Sir W. Tyrrell to Mr. Phipps (Paris) and Viscount D'Abernon (Berlin)

No. 241¹ Telegraphic [C 10377/10060/18]

FOREIGN OFFICE, September 29, 1926, 3 p.m.

Your telegram No. 361 (261)² (of the 20th [26th] September: Thoiry interview).

Agent-General for Reparation Payments states that Stresemann has assured him that Briand was ready to do a deal by which the Rhineland was to be evacuated and the Saar handed back to Germany, in return for which the German government would pay 250 million gold marks for the Saar coal mines and would facilitate the marketing of railway, or other bonds. It would also be part of the general arrangement that Eupen-Malmédy should revert to Germany in consideration for a cash payment to Belgium.³

I should be glad if you would make discreet enquiries so as to find out what grounds if any Stresemann had for making these assertions. You should not quote the source of your information.

Addressed to Paris by bag No. 241 and Berlin No. 112.

¹ No. 241 by bag to Paris: No. 112 to Berlin.

² Nos. 217 and 222 respectively.

³ The preceding information had been included in a letter of September 23 to Mr. Leith Ross of the Treasury from Sir J. Fischer Williams, British Legal Representative on the Reparation Commission, who commented: 'These payments would obviously have a serious effect on the payment of the Dawes annuities.' Mr. Leith Ross communicated this letter to the Foreign Office the following day.

No. 230

Viscount D'Abernon (Berlin) to Sir A. Chamberlain
(Received September 30, 9 a.m.)

No. 264 *Telegraphic* [C 10520/10060/18]

BERLIN, September 29, 1926, 8.59 p.m.

My telegram No. 261.¹

Secretary of State returned to Berlin two days ago and has given me further details regarding conversation at Thoiry. During our interview he had before him Dr. Stresemann's written account of what occurred but I did not read this document. Moreover Secretary of State said it was not yet in quite final form.

The main points of statement made to me are as follows:—

M. Briand had declared without any reservation that he would settle question of evacuation of Rhineland and Saar. It was quite clearly understood that negotiation to be undertaken was not one for reduction of troops of occupation or one, object of which was a diminution of period of occupation. Negotiation concerned a complete evacuation at an early date. Subsequent to above a conversation took place as to what should be done if no result on majority² basis was obtainable rapidly. Dr. Stresemann asked M. Briand what reduction of troops he could promise immediately. There was a good deal of discussion on this subject but nothing very precise was attained.

As regards Saar, it was a question of early total evacuation against payment of about 300 million gold marks by Germany. No plebiscite was contemplated although Germany would not demur to one.

Dr. Stresemann told M. Briand textually that while you had cordially approved the proposal of a confidential talk at Thoiry, you had definitely laid it down that there must be no priority or privilege over England in the matter of reparation payments or in the matter of disposal of proceeds of railway bonds.³

As regards Eupen-Malmédy, M. Briand had declared that he was not in principle obstinately against it. The Belgians had put the case somewhat timidly and not very skilfully when they originally informed the French but M. Briand saw no reason why this question should not be solved if general negotiation went well. As regards the Belgian delegates, they clearly intend to pursue the matter. Price mentioned was 120,000,000 gold marks cash plus an advance of another 120,000,000.

Passing from Thoiry conversation Dr. [von] Schubert gave me his general impressions of Geneva. He had been deeply impressed with efficiency and ability of secretariat. He could not have believed that such a competent and hard-working organisation existed. He had also been impressed with Belgian attitude and with ability of Belgian delegates. The Poles he had found quite reasonable.

¹ No. 222.

² This word was queried in the Foreign Office.

³ See No. 204.

He had been surprised to find how much individuals counted at Geneva even if they did not represent great states.

Addressed to Foreign Office No. 264 September 29th. Repeated to Coblenz by post. Repeated to Paris.

No. 231

Record by Mr. Sargent of a conversation with the German Chargé d'Affaires
[C 10513/436/18]

FOREIGN OFFICE, September 29, 1926

I saw the German Chargé d'Affaires yesterday, and told him that we could not allow to pass unchallenged the assertion that the German Gov[ernmen]t had done their best to expedite the winding up of military control.¹ I pointed out that we were still waiting for a settlement of questions which the German Gov[ernmen]t themselves last autumn had undertaken to settle either by the 15th Nov. or by the end of the year; and that in many cases there was no difference of procedure & interpretation to delay the settlement, but merely the failure of the German authorities to put into force the measures agreed upon. Nor could we accept the argument that the still outstanding questions were of no real importance. On the contrary they all arose out of the list of demands presented to the German Gov[ernmen]t in June 1925, & these demands represented the vital requirements of the Allied Gov[ernmen]ts after the elimination of all the non-essential points in the matter of German disarmament. Herr Dufour did not attempt to contravert [*sic*] this view of the position, & confined himself to expressing the hope that the present Franco-German negotiations would result in all these disarmament questions being definitely cleared up within the near future.²

O. G. S.

¹ See No. 198.

² This record was initialled by Sir W. Tyrrell on September 29 and a copy was sent to Lord D'Abernon on October 2 in Foreign Office despatch No. 1264 to Berlin.

No. 232

Memorandum by Mr. Perowne
[C 10672/10/18]

FOREIGN OFFICE, September 29, 1926

The question of the capitalization of the French share of the Railway Mortgage Bonds (and possibly also of the Industrial Debentures) created by the Dawes Plan and held on behalf of the Reparation Commission by a Trustee has been much to the fore lately and was dealt with at Thoiry in the conversations between M. Briand and Dr. Stresemann.

The French have now informed us that they have asked the Belgians and

the Italians to join with them in arranging for the carrying out of such an operation. The Treasury have elaborated a memorandum,¹ which went in yesterday in draft form, explaining the impracticability of the scheme and its general undesirability from our point of view.

It may be worth while to offer a few observations on the scheme, particularly as the Treasury in their memorandum do not advert to what is perhaps the fundamental cause of difficulty, viz; that there is no term fixed at present to the operation of the Dawes Plan and that the total German Reparation Liability is not therefore established.

Article 233 of the Treaty of Versailles directed that the Reparation Commission was to notify before May 1st 1921 the whole amount due from the German Government in respect of Reparation (over and above the cost of the Armies of occupation etc etc) together with a schedule of payments laying down the manner in which the entire obligation should be discharged *within 30 years*, i.e. before May 1, 1951.

Prior to May 1, 1921 several abortive attempts were made to fix the total German liability. The Boulogne proposals of 1920² and the Paris proposals of 1921³ both extend the period within which Germany's Reparation liability was to be liquidated, to 42 years.

The schedule of Payments of May 5th 1921⁴ definitely fixed the Reparation Debt at 132 milliards (£6,600,000,000) payable in fixed annuities of 2 milliards of marks (£100,000,000) plus an amount equal to 26% of German exports. These annuities were to be represented by A, B, and C bonds redeemable by annual drawings. Thus the May Schedule fixed the amount for which Germany was liable but did not fix the period within which such liability was to be discharged (except that it w^d. not, presumably, be more than 60 years).

The first instalment due under the May 1921 schedule was duly paid and the second also, but then the flight from the mark and the increasing weakness of the Government made themselves felt, and the German Government defaulted in the early part of 1922. Abortive negotiations ensued; then came 1923, the occupation of the Ruhr, and the adoption by the French of the productive pledges policy; the mark went to astronomical figures.

November 1923, however, saw the constitution of the Committee of Experts appointed by the Reparation Commission to report 'upon the means of balancing the German budget and the measures to be taken to stabilize the German currency'.

The experts presented their report in April 1924; it was adopted by all the Governments concerned; it formed the basis of the settlements achieved at the London Conference of July–August 1924 and its premises were embodied

¹ See No. 237, note 5.

² See First Series, Volume VIII, No. 31, appendix, for the proposals considered at the Boulogne Conference on June 21, 1920.

³ See First Series, Volume XV, Nos. 11, appendix 1 (iii), and 12, minute 3, for the scheme accepted at the Paris Conference on January 29, 1921.

⁴ *V. ibid.*, No. 86, note 6.

in the Protocols signed at London on Aug 30, 1924 and in the legislation enacted by the Reichstag on the same day.

The operation of the Dawes Plan began on Sep 1, 1924 and punctual payments thereunder have continued to be made up to date. It is important to note that the Annuities foreseen by the experts are inclusive of all amounts for which Germany may be liable under the Treaty of Versailles.

Briefly the Experts' Plan lays down that after 4 years (moratorium and transition periods during which a total of £273,000,000 is to be paid by Germany) the amount payable in each year is to amount to £125 million (plus a certain sum calculated on the 'Index of Prosperity') half to be found from the German Budget and half from the interest on the specially created Railway Bonds and Industrial Debentures and from the Transport Tax.

But neither the Experts Plan nor any of the Agreements founded thereon specify the number of years during which the Annuity is to be paid or within which the German Reparation Liability will be considered to have been extinguished. In fact the Experts themselves said (Plan; VIII(a) p. 20 of Cmd 2105/1924) *'It is outside the competence of the Committee to establish a limit of years or of amount for the working of the index, nor is it within their competence to fix the number of Annuities which Germany will have to pay, as this would practically mean the fixation of a new German capital debt.'*

To return to the question of the mobilization of the Railway bonds.

The Trustee holds mortgage bonds to an amount of 11 milliards of gold marks on behalf of the Reparation Commission. Interest at 5% is payable on the bonds and is credited to the Powers entitled to Reparation in the percentages established at Spa in 1920.⁵

The Plan allows these bonds to be sold 'to the extent to which the financial markets are capable of absorbing them'.

The French want to realise their share by such sale, and have endeavoured to persuade the Belgians and Italians that it is in the interest of those countries to join with them in putting pressure on the U.S.A. to facilitate the placing of the bonds on the American market (which with London is alone capable of absorbing them). It can be seen that if this arrangement were to eventuate everybody would benefit but ourselves and possibly the U.S.A.

But what is the French share of these Bonds?

The French Spa percentage is 52.

Is the French share (1) 52% of the £550 million total value of the Railway mortgage bonds i.e. £286 million or (2) 52% of the interest on the 5% mortgage bonds receivable over an indefinite number of years?

Herr Stresemann told Lord D'Abernon that at Thoiry not 8 milliards (£400 million) had been mentioned but that a sum of 1½ or 2 milliards (£75 or £100 million) had been discussed.

While £400,000,000 exceeds any share of the Railway capital to which

⁵ See Cmd. 1615 of 1922, *Agreement between the Allies for the Settlement of certain Questions as to the application of the Treaties of Peace and Complementary Agreements with Germany, Austria, Hungary, and Bulgaria, signed at Spa, July 16, 1920*: cf. First Series, Volume VIII, No. 77, note 3.

the French *may* be entitled, the £75 or £100 million mentioned by Herr Stresemann seems totally inadequate for the object the French have in view.

On the other hand the present value of the interest on the mortgage bonds is incalculable in the absence of any provision for the cessation of the Annuities. According to Mr. Finlayson⁶ it might be as high as £2000 million.

The French proposal is very undesirable. It has hitherto been found impossible to market even the Preference Railway shares, the im[m]ediate sale of which was foreseen by the experts Plan. The moratorium Period of the Annuities has only just closed; the Transitional Period is about to begin; the Plan will not be in normal working order for another two years. It is impossible really to consider this question of sale until we have some idea of how the Plan will work when the payments are in full blast. In other words this French suggestion is at least premature and considered in all its implications very seriously jeopardizes that settlement which was so very laboriously attained in 1924 and it is to be hoped that it will not be entertained.

J. V. PEROWNE

⁶ Financial Adviser to H.M. Embassy at Berlin.

No. 233

*Viscount D'Abernon (Berlin) to Sir A. Chamberlain
(Received October 1, 9 a.m.)*

No. 265 Telegraphic [C 10528/10060/18]

BERLIN, September 30, 1926, 8.20 p.m.

Your telegram No. 112.¹

This has been answered in part by my telegram No. 264.²

Minister for Foreign Affairs' statements to Mr. Parker Gilbert were based on his recollection of conversation at Thoiry. It is well to consider however that Minister for Foreign Affairs' memory is somewhat boisterous. He is apt to take for definite acceptance, what is intended only as an expression of a readiness to discuss. He assumes agreement in the absence of a categorical negative.

What happened at Thoiry is presumably this: Herr Stresemann found, in the course of conversation, that he could shift the stages further forward than he had previously thought possible. He consequently transferred main debate from reduction of troops to total evacuation and from reduced delays to immediate withdrawal; at the same time he himself went further in promising financial assistance to France than his technical advisers would have approved or than they approve of now. He is having to meet considerable opposition from them.

Addressed to Foreign Office No. 265. Repeated to Coblenz by post and Paris.

¹ No. 229.

² No. 230.

The Marquess of Crewe (Paris) to Sir A. Chamberlain
(Received October 1, 8.30 a.m.)

No. 371 Telegraphic: by bag [C 10523/10060/18]

PARIS, September 30, 1926

Your telegram No. 241.¹

I have obtained the following information from a reliable source.

2. It is true that the questions of the handing over of the Saar to Germany and of the acceleration of the evacuation of the Rhineland were discussed during the conversation between Monsieur Briand and Herr Stresemann at Thoiry. The conversation was, however, entirely vague and of a general order, and it is an exaggeration on the part of Herr Stresemann to talk of any arrangement having been reached. Any sums of money mentioned were purely hypothetical since such figures could only be determined by experts.

3. The French experts are understood to have given their technical advice on these two subjects to Monsieur Poincaré, and a Cabinet meeting will be held tomorrow, October 1st, to arrive at a conclusion in the matter. The decision will, it is understood, merely be to agree to the negotiations between Monsieur Briand and Herr Stresemann being continued. The Cabinet will determine the basis of possible agreement with Germany, but Monsieur Poincaré is determined not to abandon the advantages accruing to France from the treaty² unless important compensation is obtained and some guarantee is given concerning the duration of the proposed agreement.

4. It is felt that a considerable time must elapse before any agreement can be reached and any proposals which may be made will require close and careful examination. The French government, including Monsieur Poincaré, are believed to be anxious to reach some arrangement with Germany, but it is essential that adequate safeguards be secured against any possible sharp practice in the future. Provided such guarantees are forthcoming public opinion would not be adverse to an agreement, and it is interesting to note that there has not yet been much outcry in the press or elsewhere against the idea of the complete evacuation of the Rhineland within a short period if necessary safeguards are guaranteed.

5. In the event of an agreement satisfactory to France being come to between France and Germany, the French government would withdraw their objection to Germany purchasing Eupen-Malmédy from the Belgian government.

¹ No. 229.

² Of Versailles.

Sir A. Chamberlain (Leghorn) to Sir W. Tyrrell
(Received October 2, 9 a.m.)

Unnumbered Telegraphic [C 10581/9326/22]

Confidential

LEGHORN, October 1, 1926, 1.30 p.m.

Following for Sir W. Tyrrell:—

I have spent five hours with Signor Mussolini.

Our intercourse throughout was most frank and cordial. We reviewed all questions of common interest.¹

1. Franco-German conversations.

He showed a little anxiety lest they should be carried too far. He insisted that they must not weaken Locarno, which was the basis of European policy. I agreed, but added that neither Stresemann nor Briand would or could depart from Locarno.

2. He is on the point of signing a treaty of arbitration, described as Gaus Treaty, with Germany on Stresemann's suggestion.

3. He volunteered explicit assurance that Italy will observe territorial and political independence of Albania. He is prepared at any time to sign treaty embodying this formula. He spoke with regret of recent misunderstanding. There will be a change in Italian representation at Durazzo.

4. He approved procedure suggested by me for Tangier discussions and blamed severely diplomacy of Spanish government.

5. He responded in most friendly way to representations we had made about Farsan Islands and cognate questions.² Ambassador will propose to you that Foreign or Colonial Office representative should go to Rome to discuss and arrange our interests with Italian experts.

6. He described general aims of his Balkan policy, i.e. stabilization of peace and development of trade. He hopes to contribute to agreements between Balkan allies and Bulgaria and Hungary. Policy of Greece is obscure to him. Turkey is one man's life, and that life a bad one. I counselled prudence and great reserve. It was impossible to forecast the future, but he would do best who made fewest mistakes.

7. His reports from Russia were very bad. Result of Russo-Italian trade treaty³ had always been disappointing and now trade was at a complete standstill.

8. He was not disposed to interfere in China. This he said incidentally in referring to Russian policy in Turkey. He could not make out what was true attitude of Turkey towards Soviet government.

9. Finally we agreed on importance of maintaining complete harmony in policies of our two countries and undertook to continue to communicate fully, and above all, frankly with one another.

¹ For another account of this conversation, which took place on September 30, see No. 255.

² See No. 445.

³ This treaty, signed at Rome on March 7, 1924, is printed in *British and Foreign State Papers*, vol. 120, pp. 659–83.

Viscount D'Abernon (Berlin) to Sir A. Chamberlain
(Received October 2, 9 a.m.)

No. 268 Telegraphic [C 10573/10060/18]

BERLIN, October 1, 1926, 8.48 p.m.

Your despatch No. 1250.¹

I have read Foreign Office letter to Treasury of September 29th and submit following information.

Opposition here to a partial operation on railway bonds proceeds from two sections:—

- (a) Those who consider it would render more difficult a general revision of Dawes plan at a later date and
- (b) those who dream of eventual possibility of a vast operation comprising the cession to America of the whole or larger part of railway bonds against partial or total cancellation of English and French debts to that country.

American bankers who frequent Berlin in large numbers, sometimes talk of latter scheme as an eventual possibility but the best opinion appears to regard it as unlikely to materialise, at any rate as a state operation. Gilbert is certainly of this view. While the possibility of any large operation with American Treasury appears remote and is certainly against all their present views and preconceptions it would be such a beneficial operation for us and constitute such a general clean up that eventuality is just worth keeping in mind.

In this connection it may be worth reporting that talk of American financiers who come to Berlin is that a considerable reduction of payments demanded by United States on account of European debts is pretty sure to come in two years, but not much before.

Alluding to point two in Foreign Office letter,² information here is to the effect that no American approval would be given to marketing of German railway bonds in America except after ratification of English and American debt settlements by France and after franc stabilisation has been assured.

Addressed to Foreign Office, repeated to Brussels and Paris for Secretary of State.

¹ Not preserved in Foreign Office archives. This despatch transmitted to Berlin a copy of a letter of September 29 from the Foreign Office requesting the views of the Treasury on the proposals discussed in Nos. 217, 222-3, and 226-8.

² The reference was to the French action recorded in the first paragraph of No. 228.

Letter from Sir W. Tyrrell to the Marquess of Crewe (Paris)

[C 10535/10060/18]

FOREIGN OFFICE, October 1, 1926

Dear Crewe,

Since it appears highly probable that the Secretary of State, on his way through Paris, will wish to speak to Briand on the subject of the Franco-German negotiations launched at Thoiry, I am sending you herewith

- (1) a memorandum¹ containing all the information of importance which we had received here on the subject up till this morning;
- (2) copy of the letter from the Treasury giving their views on these Franco-German schemes.

In view of the strong line which the Treasury are inclined to adopt in regard to the proposed mobilisation of the German Railway Bonds, it certainly would seem desirable that we should put in a *caveat* in Paris as soon as possible, so that the French may be under no illusion as to our attitude.

It is amusing how the various accounts of the Thoiry interview differ from one another, but it is not difficult to see what really did happen. Stresemann, whose objects are clearly defined, is obviously trying to magnify the results obtained, while the French, who are not quite so clear as to what they really do want, are trying to minimise the importance of the interview.

One small point which I would like to mention. The Treasury in paragraph 4 of their letter speak of the 'request' of the French Government, and again in paragraph 9 of the French 'proposal'. De Fleuriau made neither a request nor a proposal. At most it was the expression of a hope that we should *proprio motu*² associate ourselves with their proposed action at Washington.³

I am having this pointed out to the Treasury.

Y[ou]rs very sincerely
W. TYRRELL

ENCLOSURE IN No. 237

Letter from the Treasury to the Foreign Office

Urgent and Confidential

TREASURY CHAMBERS, September 30, 1926

Sir,

I have laid before the Lords Commissioners of His Majesty's Treasury Mr. Sargent's letter of the 29th instant, (C. 10495/10060/18),⁴ on the subject of the Franco-German negotiations foreshadowed by the recent interview between Monsieur Briand and Herr Stresemann.

2. In reply I am to request you to inform Secretary Sir Austen Chamberlain that the absence of precise information as to the exact nature of the

¹ Not printed.

² i.e. of one's own volition.

³ Cf. No. 228.

⁴ See No. 236, note 1.

present proposals makes it impossible to examine them in detail but My Lords are convinced that any proposal to market German Railway Bonds is from every point of view undesirable at the present moment and that no doubt should be left in the minds of other Governments that His Majesty's Government could not support any such proposition.

3. The views of Their Lordships on these questions are set out at greater length in the enclosed proof of a printed 'Note on the Commercialisation of German Reparation Bonds and other Similar Schemes.'⁵

4. As regards the request of the French Government that His Majesty's Government should inform the United States Government that they approve the request made by the French, Belgian and Italian Governments that the United States Government will facilitate the marketing of the Dawes Bonds in America and that the time appears to have come for the issue of a considerable instalment of these Bonds, I am to suggest for Sir Austen Chamberlain's consideration that a reply should be returned in the following sense.

5. His Majesty's Government desire to thank the French Government for the information given by the French Ambassador on September 28th with regard to the conversation between Monsieur Briand and Herr Stresemann and with regard to the request addressed to the United States Government by the Governments of Belgium, France and Italy. His Majesty's Government view with the greatest sympathy the steps undertaken by the French Government to restore the financial position of France and their attitude in regard to the present proposals is dictated, not by any want of sympathy

⁵ Not printed. This note of September 27 concluded as follows: 'It is suggested, therefore, that the policy of His Majesty's Government should be—

- '(a) To oppose any proposal involving a charge on the Dawes Annuities, in favour of France or Belgium, and to the detriment of the joint reparation account;
- '(b) To oppose any proposal which involves a heavy *cash* transfer by Germany, i.e., to insist that any repurchase should be financed by a loan raised in the United States of America;
- '(c) If the proposal were so drawn that opposition is not necessary on either of the above grounds, we should indicate to France that we feel dubious about any proposal involving further special payments to Belgium, but that we should be prepared to consider the purchase by Germany of the Saar Mines if the latter scheme can be treated in isolation;
- '(d) As a condition of our assent, we should stipulate that France should ratify the debt agreement without delay; and that she should support us in securing that no further special arrangements are made with Germany by other Powers;
- '(e) We should, if possible, secure French agreement on some minor financial points which have been the subject of lengthy discussion by the Reparation Commission. The most important of these is the reduction of the French prior charge for Armies of Occupation; but it is assumed that Germany will have succeeded in securing the immediate evacuation of the occupied territory as a condition of her acceptance of the scheme, and, if so, this question will have been settled. The French should then drop some small claims to other prior payments out of the Dawes Annuities for pensions and social insurance funds in Alsace-Lorraine. It would be of more interest to us to secure that the excess proceeds of liquidation of German properties are not accounted for to the Reparation Commission as cash, but merely debited to us against the capital reparation debt; and this question should be brought up if there is a suitable opportunity.'

with such steps, but by a conviction that the proposals are not such as to have any chance of success in achieving the desired aim.

6. The negotiation of the Railway Bonds and Industrial Debenture Bonds issued under the Dawes Plan raises many difficult questions of principle and involves issues of great importance to all the Allied Powers interested in Reparations, and it is obvious that any such operation could only be undertaken by the common consent of those Powers. Up to the present, the Reparation Commission which holds the Bonds on behalf of the Allied Governments has taken no decision of principle as to their sale and has not even discussed the question. As recently as last June, the Trustee for the Railway Bonds advised the Commission that, after consulting numerous Bankers, 'he was convinced by the unanimous view of interested quarters that it would be imprudent and consequently prejudicial to the operation as a whole to take it in hand at the present time.'⁶ The enquiries made by His Majesty's Government fully confirm the view expressed by Monsieur Delacroix and they are satisfied that conditions have in no way changed since his report. It is to be feared that the markets would not share the view that the security for the bonds can be regarded as unexceptionable. Any potential lenders would in all probability demand an Exchange guarantee or a priority, in favour of the loan, over reparation transfers. Any such provision would gravely damage the security for current and future reparation transfers to the Allied Governments. But, even with such priority, the Bonds could only be negotiated at a very substantial discount and His Majesty's Government see no advantage in the Allied Governments giving up a large proportion of their reparation claims to private investors and commission Agents for the sake of realising a comparatively small amount of capital. There could in any event be no question of raising in this way such sums as £100 million, an amount wholly outside the possibilities of the investment market.

7. Further, any attempt to realise the bonds would inevitably raise the question of the final fixation of the total German reparation debt and thereby involve a revision of the Dawes Plan—a question which the French Government will doubtless agree it is premature to consider.

8. For these reasons His Majesty's Government consider that in present conditions any realisation possible would be a most imprudent and unprofitable financial operation which would undermine the prospects of the successful development of the Dawes Plan and gravely prejudice the ultimate interests of all the Allies and particularly of France which has so considerable a share of reparations.

9. Accordingly, His Majesty's Government, in spite of their sympathy with any proposal likely to restore the financial position of France, are convinced that the realisation of the Railway and Industrial Debenture Bonds at the present time on any extensive scale, or on anything but the most prejudicial terms, is not a practical possibility and for this reason they regret that it is not possible for them to associate themselves with such a proposal

⁶ See *The Report of the Agent General for Reparation Payments*, June 15, 1926, p. 13.

nor to address the Government of the United States in the sense suggested by the French Government.

10. Finally His Majesty's Government cannot but point out that once the War Debt Agreements which have already been submitted to the French legislature have been duly ratified, there is every likelihood that the French Government will be in a position to raise any funds that may be regarded as necessary for ensuring the stabilisation of French currency on terms far more favourable than those which could be obtained by the negotiation of Reparation Bonds issued under the Dawes Plan.

I am, &c.,

O. NIEMEYER⁷

⁷ Sir O. Niemeyer was Controller of Finance in H.M. Treasury.

No. 238

Memorandum dictated by the Secretary of State at His Majesty's Embassy, Paris¹

[C 10700/10060/18]*

PARIS, October 2, 1926

I spent an hour and a half with M. Briand at the Quai d'Orsay this afternoon. I gave him a general account of my conversation with Signor Mussolini, and, more particularly, of those parts of it which I thought might be of special interest to him, or which it was desirable that he should know. M. Briand, in his turn, then gave me an account of his conversation with Dr. Stresemann at Thoiry. He said that he opened this conversation by reciting the questions which mainly interested the Germans: first, control; second, the armies of occupation; and third, the Saar. As to control, France and Great Britain would be as glad to bring the Control Commission to an end as the Germans. It remained only for the Germans to carry out one or two details of no great consequence, and to which they had already agreed. He knew quite well why Dr. Stresemann had not already accomplished this; it was because the German soldiers upset his plans, just as the French soldiers upset his own, but Dr. Stresemann must exert himself and oblige the military to conform to the higher dictates of policy. As to the control by the League of Nations, which would succeed the Allied control, we had deferred discussing this until Germany was represented on the Council. It could be amicably settled by conference among us, but there were two ways of approaching all these problems. We might live from hand to mouth, dealing with each incident as it arose and try to prevent other incidents arising, or we might try to arrive at once at a general solution. For his part, he preferred the latter course. If that were adopted, then, as regards the occupation, he would observe that the treaty² provided for a considerable shortening of the period of occupation, if Germany had given definite guarantees for the pay-

¹ A copy of this memorandum was received in the Foreign Office on October 6.

² Of Versailles.

ment of reparations and had made good progress with it. If Dr. Stresemann shared his view that a general solution was desirable, this problem might be studied and it might be possible to find a solution through some of the measures contemplated in the Dawes scheme. The same was true of the Saar. As to the plebiscite, he attached no importance to it and had no desire to attach a new Alsace-Lorraine to the flank of France, and, for his part, he would not accept the Saar, even if the inhabitants voted in favour of France.

To all this Dr. Stresemann had replied that he too preferred the larger method of dealing with the question, and that he thought something might be done on the lines suggested by M. Briand. Both the Ministers had confessed that they were not financial experts, but they could have the matter studied by experts and see whether definite proposals could be made. That, said M. Briand, was as far as they had gone. They had agreed to report to their respective Governments and to ask those Governments whether they approved the continuance of the conversations on this basis. Dr. Stresemann's action had received the approval of the German Government, and his own action had been approved by his colleagues. That was the position at the moment. Their experts were studying the question in Paris and Berlin separately.

I replied that I need not say with what pleasure I had heard his account of the general character of the interview. He knew how earnestly I had desired such a frank and open conversation between the Foreign Ministers of France and Germany, and he would well understand with what pleasure I had heard of the spirit in which it had been conducted. I had myself expressed to Dr. Stresemann at Geneva my hopes for the successful issue of the conversation, but I had uttered one word of caution which I ought to repeat to M. Briand, namely, that Dr. Stresemann must not base his arrangements with France on any new preference for France or Belgium which would injure British interests.³

M. Briand at once said that nothing was further from his thoughts, and, indeed, the French nation would not accept any agreement that was made at the expense of Anglo-French friendship. That friendship was the basis of all French policy. He recalled how he had said to Mr. Lloyd George in 1920 [?1921]⁴ that a close alliance between France and England, to which Italy and Germany could subsequently adhere, was even then the possible basis for a stable peace, and he reminded me that I had supported the idea. It had been premature at the moment, but we had achieved it at Locarno. If these four Great Powers worked together, then peace was assured, but under no circumstances would France depart from her friendship with England or enter into any arrangements with Germany which concerned our interests without our assent and co-operation. Obviously, any scheme dealing either

³ See No. 204.

⁴ The reference was possibly to a conversation in London on December 21, 1921, at which Sir A. Chamberlain was present, between Mr. Lloyd George and M. Briand, who had become President of the French Council of Ministers in January 1921. A record of this conversation is printed as No. 110 in First Series, Volume XV.

with the troops of occupation⁵ or with the shortening of the period of occupation and any financial arrangements affected others besides France and Germany, and could only be treated in agreement with Great Britain and Italy.

I then suggested it would be well that, as soon as any proposals had been sketched out either by the Germans or the French, the experts of the other countries concerned should be invited to discuss them. As he knew, I had arrived less than a couple of hours before our conversation began, but I had, in the interval, read very hastily some papers which had been sent to me from London, and I had observed that the Treasury evidently had considerable doubts as to the practicability of some of the suggestions which had been made in the newspapers and as to their possible effect on British interests. He would, of course, understand that the Treasury had had no definite scheme before it and was commenting only on newspaper articles, but I should be a little apprehensive of what might happen if the German and French Governments got deeply engaged in a discussion on lines which we subsequently found were considered impracticable or unacceptable by the British Government.

M. Briand again insisted that there was no plan in existence, and that nothing more had been decided by Dr. Stresemann and himself than that they would ask the approval of their Governments for a further examination of possibilities. He assured me that the British Government should be kept fully informed of the course of any negotiations.

I enquired whether Dr. Stresemann had said anything about Eupen and Malmédy. He replied that Dr. Stresemann had insisted on speaking of it, saying that he would not leave it open to M. Briand to think that he had not treated him with perfect frankness. Dr. Stresemann then stated that the proposal for the sale of Eupen and Malmédy had come to him from Belgium, first unofficially, when he had discountenanced it, and later officially, when he had replied that he was not prepared to discuss it. It affected the treaties, and it could not be settled as a matter concerning Germany and Belgium alone. M. Briand had thanked Dr. Stresemann for the frankness of his communication, and had added that he already knew that the initiative came from the Belgian side. That was why he had addressed no sort of enquiry or representation to the German Government. M. Briand informed me that the initiative was taken by M. Francqui, who moved in political affairs with the grace and delicacy of an elephant in a china shop. He added, however, that, if all went well, perhaps that question might be settled.

No reference had been made by Dr. Stresemann to mandates.

I was interested in hearing M. Briand's impression of the effect produced upon Dr. Stresemann by the League. It entirely confirmed the view which I had formed that Dr. Stresemann had been considerably impressed by the

⁵ In connexion with the numbers of French troops of occupation Sir A. Chamberlain subsequently stated in a minute of November 17: 'M. Briand told me that at Thoiry he had laid the figures before Dr. Stresemann who had expressed himself as astonished & gratified. M. Briand spoke if my memory serves me of a reduction of 40,000 men. . . .'

Assembly and felt that he was in the presence of a force which they in Germany had not previously estimated at its full value.

A. C.

No. 239

Sir A. Chamberlain to Viscount D'Abernon (Berlin)

No. 114 Telegraphic [C 10651/10060/18]

FOREIGN OFFICE, *October 4, 1926, 2.30 p.m.*

I had very satisfactory conversations with Mussolini and Briand. We all desire to confirm and develop the policy of Locarno and see in the co-operation of the four governments the best security for peace and progress. Dr. Stresemann will not for one moment have supposed that either Mussolini or I regarded our meeting as in any sense an answer to the Thoiry conversation which we both heartily welcomed. Stresemann's conversation with Briand and mine with Mussolini completed by my conversation with Briand on my way through Paris serve to keep us all in touch and to afford proof that we are pursuing common aims and working together for peace.

Please make a communication in this sense to Dr. Stresemann. Add that I told Briand that I thought it important that, as soon as the Franco-German discussions begin to take any concrete form in the hands of their financial experts, the experts of the other interested powers, particularly Great Britain and Italy, should be called into consultation. Any practical development of the project suggested at Thoiry obviously raises questions of great importance and difficulty, and I should view with some anxiety the possible complications which might arise if the French and German governments got embarked upon the discussion of proposals which it might subsequently prove impossible for the rest of us to accept. I look forward to meeting Dr. Stresemann again in December at Geneva.

No. 240

Letter from Sir C. Mendl¹ (Paris) to Sir W. Tyrrell (Received October 6)

[C 10751/10060/18]

PARIS, *October 5, 1926*

Dear Sir William,

Since last I wrote to you, it is evident that the relations of France and Germany have entered upon a new phase. As one of my most trusted correspondents pointed out to me, it is almost incredible that, since the conversations of Thoiry, the Press and public opinion should have accepted the spirit of Locarno so completely that, provided the necessary guarantees

¹ Press Attaché to H.M. Embassy at Paris.

are forthcoming, the idea of a complete evacuation of the Rhineland within a limited term of years causes scarcely any outcry in the newspapers or elsewhere.

In fact, a well-informed friend of mine—whose optimism, however, I do not share—has bet me that by this time next year the German² troops will be out of occupied Germany. Though I consider this too rosy a view, it is a sign of the times that one of the acutest observers in France should have made such a wager with me.

Certainly the 'simpliste' idea of applying with energy the Treaty of Versailles is at a discount, and the 'whole-hoggers' as regards the treatment of Germany are in an infinitesimal minority. On the other hand, one must not be led astray by some of the Left writers who believe that the millennium has arrived, and who are a source of weakness to that part of French public opinion which is only too anxious to abandon the bone, provided it is not exchanged for the shadow.

Between these two extremes, however, the vast majority are relieved and contented with the trend of affairs which, beginning with Locarno a year ago has had such beneficent results. It is realised that the Treaty of Versailles, carried out to the full, could not give such satisfactory results, and that it is better to make a good arrangement beforehand rather than wait until the Treaty compelled France to do what now she can strike a bargain over.

But since the conversation of Thoiry and the—to French minds—very injudicious speeches of Herr Stresemann, it is felt even by the Left that perhaps M. Briand was a trifle too enthusiastic in his welcome to Germany at Geneva. Neither M. Briand nor Herr Stresemann is considered a financial expert, and when the French Cabinet comes to discuss technical points it may be found that, apart altogether from whether some of the things suggested are feasible or outside France's power of arranging, certain proposals made by Herr Stresemann and apparently accepted by M. Briand may not be equally acceptable to French public opinion.

Reading between the lines, there is little doubt that both statesmen expanded too much under the influence of the warmth of their respective natures, but I should say that Herr Stresemann has, for political reasons in Berlin, read into M. Briand's words considerably more than M. Briand either said or meant to say.

Moreover, considerable comment has been caused in parliamentary and press circles here, I understand, at the manner in which Herr Stresemann is trying to play off M. Poincaré against M. Briand. A friend of mine had an interview with M. Hennard [Hesnard] who, I am told, was the only third person present at the Thoiry conversation. M. Hennard, who is an unofficial opposite number of mine in Berlin, was used by MM. Briand and Stresemann as interpreter. He said it was extraordinary to notice the personal bitterness which Herr Stresemann felt towards M. Poincaré—a bitterness which dated back to the time when M. Poincaré had refused to accept the end of passive resistance in the Ruhr upon which Herr Stresemann had risked his political

² Sir A. Chamberlain amended this word to read 'Allied'.

existence.³ His enmity is brought out by Gauvain in the 'Journal des Debats' and by Bainville in the 'Liberté'.⁴

At the Cabinet Council which took place after the meeting at Thoiry, M. Poincaré was extremely clever. He asked each of the Ministers to give his opinion in turn, and then himself spoke last, approving in principle but pointing out the difficulties of execution. The result has been that M. Poincaré has reinforced his position in the Cabinet, for if M. Briand had the moral satisfaction of seeing his policy approved, the others are satisfied that the task of pointing out the obstacles, which in some respects appear insuperable, will be left to the technicians.

As the press is at pains to point out to the public, it is beginning to dawn upon them that in order to get any of the benefits of the Thoiry meeting, such as a mobilisation of German Railway Bonds, it will be necessary first to ratify the Mellon-Bérenger agreements,⁵ and it is believed that, when parliament meets, this will be one of the first questions that will come up. M. Poincaré is understood to be under what I believe to be the mistaken impression that he will be able to obtain at any rate a transfer clause in the Washington Accord.

M. Poincaré's optimism on this point is, I fear, shared by the majority of French politicians. It was one of the causes which, in his interview with M. Francqui⁶ (who, incidentally, I understand is not taken seriously here), led to a further determination on M. Poincaré's part to go for revalorisation and not to be in too much of a hurry as Belgium has been. In his opinion it will be possible to stabilise the franc at a higher figure than that at which it stands today.

I believe he is living in a fool's paradise. At any rate there are two great anxieties: first, the necessity of largely increasing the salaries of officials—an increase which when M. Herriot promised it,⁷ was estimated at three milliards of francs, and which even if reduced by 40 or 50 percent would destroy the balance of the Budget; and secondly, uncertainty as to what the new taxes will yield, for business men and industrialists are tempted to evade payment of taxes, if necessary, by wilfully reducing their production. . . .⁸

Yours sincerely,

CHARLES MENDL

³ In September 1923 Dr. Stresemann, who had recently become German Chancellor, had been responsible for the decision to end passive resistance to the Franco-Belgian occupation of the Ruhr.

⁴ M. Gauvain was foreign affairs editor of the *Journal des Débats*; M. Bainville was a well-known French historian and journalist.

⁵ i.e. the Franco-American war debt agreement: see No. 48, note 3.

⁶ On September 28 M. Francqui went to Paris in order to discuss with M. Poincaré the financial situation in Belgium and France: cf. *The Times*, September 29, p. 12, and September 30, p. 12.

⁷ In the autumn of 1924.

⁸ The remainder of this lengthy letter, which related to various topics, is not printed.

No. 241

Viscount D'Abernon (Berlin) to Sir A. Chamberlain
(Received October 7, 9.30 p.m.)

No. 273 Telegraphic [C 10748/10060/18]

Secret

BERLIN, October 7, 1926, 8.8 p.m.

I had a conversation with Dr. Schacht last night and discussed proposed issue of railway bonds.

I found him sceptical both as to desirability and possibility. On point of desirability he would prefer to wait for a larger operation and a general settlement. On the point of possibility he considered that an issue of one hundred million with special prior rights of transfer would greatly impede, if it did not render impossible, a subsequent issue of the remaining seven hundred million.¹ He said that in Paris they appeared to think that some issue was possible without American consent and without co-operation of the American market. This was absurd.

He regards Thoiry as a romantic episode. Judged from financial standpoint it was probably a mistake but Dr. Stresemann had been placed in a very difficult position. He must obtain the evacuation of the Rhineland in order to survive politically and M. Briand had made it clear that evacuation must be paid for. Dr. Stresemann had not known the financial side of the question well enough to reply that it was not in Germany's power to pay; payment depended upon Reparations Commission and American investing public. However, not much practical harm would result from Thoiry as question of issue would now be submitted to technical French and German committees. Dr. Schacht was himself a member of the German committee and would see to it that the discussion was brought down to its proper financial bearings and examined with a full regard to market possibilities.

Addressed to Foreign Office No. 273. Repeated to Paris, Brussels, and Coblenz.

¹ Pounds sterling: see No. 109, note 2.

No. 242

Viscount D'Abernon (Berlin) to Sir A. Chamberlain
(Received October 7, 9.50 p.m.)

No. 274 Telegraphic [C 10749/232/18]

BERLIN, October 7, 1926, 8.30 p.m.

General von Seeckt's resignation¹ has been accepted by the President.

¹ For the circumstances of General von Seeckt's resignation as Chef der Heeresleitung see Erich Eyck, *A History of the Weimar Republic* (English translation by H. P. Hanson and R. G. L. Waite, Cambridge, Mass., 1962), vol. ii, pp. 85 f. In this connexion Mr. Sargent and Sir A. Chamberlain minuted:

"The retirement of von See[c]kt will have one good effect. It will make it much easier for the French military authorities to compromise on the question of the strict enforcement of

President had originally intended to grant Seeckt six months leave and allow the incident to blow over but in view of probable difficulties in Reichstag this intention was abandoned.

View taken by Minister for Foreign Affairs is that even if incident itself was not of supreme importance it was quite intolerable for Seeckt to authorise the Crown Prince's son to be present at manoeuvres in Reichswehr uniform without informing either Minister of War or the President.

The entire press recognises the great services rendered by von Seeckt and regrets that this foolish incident should have brought his tenure of office to an end. There is frank recognition on the part of the press of the Left of Seeckt's fidelity to the Republic and of the immense service which he rendered in 1923 at the time of Hitler *putsch*.²

the Com^{ssn} of Control's somewhat impracticable demands regarding the reorganisation &c. of the General Staff in the German army—this is one of the outstanding points which is delaying the withdrawal of the Com^{ssn} of Control. As long as von See[c]kt was "Chef der Heeresleitung" the French were so afraid of his influence & authority, that they clung to every stipulation in the Treaty which might conceivably reduce his power. O. G. S. Oct. 18.'

'To me the significant thing is that for the first (?) time since Bismarck the Civil Power has proved itself the master or at least the superior of the Military Power in Germany. A. C. 18/10.'

² On November 8, 1923, Herr Hitler led an attempt to overthrow the State Government of Bavaria in Munich, as a prelude to a march on Berlin and the establishment of a National-Socialist régime in Germany. Full powers for suppressing the *putsch* were given to General von Seeckt. For an account of the *putsch* see Erich Eyck, *op. cit.*, vol. i, pp. 272-7.

No. 243

Minute by Sir A. Chamberlain

[C 10602/10060/18]

FOREIGN OFFICE, October 7, 1926

What Italy may want 10 or 20 years hence is a problem that often recurs to my mind; but what she wants before all things *now* is to be treated as a *great power on a footing of equality* with France, Germany & ourselves. For perhaps the first time since the Crimea¹ what she asks is more a moral satisfaction than material concessions. Let us keep this constantly in mind. Mussolini said to Sir W. Tyrrell: 'You treat me like a gentleman & the others don't'—or something to that effect. Let us rather seek opportunities for consultation, for confidences & the like. Fine manners (if not fine words) will butter more parsnips in Italy than anywhere else; & *it is essential* that we should keep Italy, a growing power, in sympathy with our policy & in cooperation with us. This may be vital in the future either to maintain peace in Europe or to restrain or guide Italy outside Europe.

A. C.

¹ Sardinia had entered the Crimean War against Russia in 1855.

Sir G. Grahame (Brussels) to Sir A. Chamberlain (Received October 9)

No. 943 [C 10777/9063/18]

Confidential

BRUSSELS, October 7, 1926

Sir,

I have the honour to inform you that on October 5 I received a telegram from M. Mayrisch, President of the Board of Directors of A.R.B.E.D. the important Luxemburg Metallurgical Company, asking whether he could see me, or Mr. Bagge, First Commercial Secretary to this Embassy, at three o'clock this afternoon. I arranged to receive him as desired, but unfortunately owing to his motor-car being delayed on his way to Brussels, M. Mayrisch did not arrive till four o'clock, by which time I had been obliged to go out to keep another appointment. M. Mayrisch was therefore received by Mr. Bagge.

2. He at once explained that the object of his visit was to furnish me with full information regarding the international steel cartel, which had been recently formed, and of the Managing Committee of which he was Chairman.

3. The genesis of the cartel was, he said, to be traced back to June 1925, when an agreement was reached between the German, French, Luxemburg and Saar Industrialists for the introduction of a certain tonnage of French, Luxemburg and Saar steel into Germany. Owing to hesitation on the part of an important Saar Industrialist, M. Reichling,¹ delay occurred in the signature of this agreement, and owing to changed conditions in Germany, the Germans withdrew. It was not until December 1925, following on an agreement between the French and German Governments, who were then engaged on negotiating the Franco-German Commercial treaty, to bring pressure to bear on their industrialists to form an international cartel, that the matter was resuscitated. At first, the German industrialists refused to carry out the wishes of their Government and a deadlock occurred until M. Mayrisch took upon himself the role of mediator. Acting under his persuasion, the German industrialists consented to meet the French in Luxemburg. The first meeting which was deliberately restricted to two representatives of each country, was most successful. M. Thyssen, one of the German representatives, produced the draft plan of a cartel, the main lines of which were sympathetically received by the French. From this tentative beginning, the negotiations gradually assumed greater scope and became more international. Many difficulties had to be overcome, [? in] particular those raised by the Belgians, but finally agreement was reached and the convention, signed at Brussels on September 30.

4. M. Mayrisch handed Mr. Bagge, for the confidential information of His Majesty's Government, copy² of this convention. I beg leave to enclose it herein.

¹ It was suggested, probably correctly, on the filed copy that this name should read 'Röchling'.

² Not printed. For the text of this Convention, see *Survey of International Affairs 1926*, pp. 481-3.

5. As regards the participation of other countries in this cartel, M. Mayrisch stated that he had been approached by the representative of the cartel which at present exists between Czechoslovakian, Austrian and Hungarian works for an invitation to join. Similar advances had been made by Poland through Herr Thyssen. M. Mayrisch did not think that the participation of these countries would be long delayed.

5. [sic] As regards Great Britain, the matter had already, previous to the coal strike, been placed before their representatives, but it had not appeared to rouse much interest at the time. M. Mayrisch added that he was attending a meeting of the International Rail Cartel in London on October 15, when he would again submit the matter and hand over confidentially to the British representatives copy of the above-mentioned Brussels agreement.

6. By this agreement, which concerns crude steel, no restrictions have been placed on sales prices. Production only is regulated. M. Mayrsich, who is in principle opposed to cartels and has always combated them, said that he was in favour of the present one only in view of the abnormal circumstances. He considered that it was ephemeral, and would not be prolonged at the expiration of the term of five years.

7. At the close of the interview, which lasted over an hour, M. Mayrisch, in speaking of the future of industry in Europe, said that he thought all would be forced by circumstances to adopt the policy of trusts advocated by Germany, with the object of securing economy in production. In support of the value of a trust, he cited the recent amalgamation of the Luxemburg Terre-Rouge Company with his Company A.R.B.E.D. and the already resultant economies, which amounted to as much as sixty per cent.

8. I have written to M. Mayrisch to thank him for his visit and for his friendly action in communicating to me the information set forth above.

I have, &c.,

GEORGE GRAHAME

No. 245

Sir W. Max Muller (Warsaw) to Sir A. Chamberlain (Received October 18)
No. 511 [C 11075/234/18]

WARSAW, October 8, 1926

Sir,

I have the honour to transmit herewith, with reference to my despatch no. 485¹ of 22nd September, an article² from the 'Messenger Polonais' of to-day's date, categorically denying the reports which have recently received publicity in various quarters, to the effect that some arrangement was under consideration whereby Poland would acquiesce in the restoration to Germany of the Free City of Danzig and the corridor, in return for appropriate compensation.

¹ Not printed. This despatch summarized remarks made by M. Zaleski to a correspondent of the *Germania* which Sir W. Max Muller regarded as illustrating M. Zaleski's 'earnest desire to contribute towards the improvement of relations' between Poland and Germany.

² Not printed.

2. In the course of the interview which I had this morning with the Minister for Foreign Affairs, M. Zaleski stated that this article had been written at his request, as the Polish Government were anxious to leave no room whatsoever for doubt regarding their attitude, and so to prevent any further speculation of this nature.³

I have, &c.,

W. G. MAX MULLER

³ On October 7 Sir A. Chamberlain had stated in a minute regarding a statement of the German case concerning German-Polish relations which had been conveyed to the Foreign Office:

'I. The Prussians not merely annexed a large part of Poland but oppressed it. They tried to Prussianise the Poles; they colonised with Germans. Every wrongful or stupid act of the Poles can be paralleled from Prussia's acts in the day of her power. This may not be a justification or even an excuse. It is at least an explanation.

'II. Germany has done everything she could to make trouble in Danzig. I say this advisedly. She (personified in the President of the Free City) has not wanted an accord but a grievance.

'III. It is improper to describe as "Polish encroachments on Danzig" what the Court of International Justice has declared to be her rights.

'IV. The Silesian decision of the League [see League of Nations, *Minutes of the Extraordinary Session of the Council, August 29-October 12, 1921*, pp. 16-24: cf. First Series, Volume XVI] may or may not have been the best possible. Lord Balfour who went closely into it thought it "very fair". In any case it is not our business to attack it or to excuse it.

'Finally, I do not say that the Versailles settlement will last for all time or that it necessarily should. I observe only that Germany has bound herself solemnly not to resort to war as a means of changing it. If it is to be changed eventually by agreement then Germany must alter her whole attitude to Poland. Being an optimist I sometimes allow myself to hope that in time she will see this. A. C. 7. 10.'

No. 246

Sir W. Max Muller (Warsaw) to Sir A. Chamberlain
(Received October 9, 9 a.m.)

No. 135 Telegraphic [N 4529/124/59]

WARSAW, October 9, 1926, 1 a.m.

Russo-Lithuanian treaty.¹

At my first interview this morning² with Minister for Foreign Affairs since his reappointment³ His Excellency explained to me attitude of Polish government towards the treaty. He said that since his return he had induced press to adopt more moderate attitude. He held that so far as Poland was concerned practical effect of treaty was insignificant. In her relations with Lithuania nothing was altered and he was convinced that for Russia signature of treaty was expression of exasperation with Poland and attempt to

¹ The text of this treaty of friendship and non-aggression with annexed exchange of letters signed at Moscow on September 28, 1926, is printed in *British and Foreign State Papers*, vol. 125, pp. 890-3.

² This telegram was drafted on October 8.

³ Professor Bartel's government had recently resigned and had been succeeded by an administration wherein Marshal Pilsudski was President of the Council and Minister for War. M. Zaleski was reappointed Minister for Foreign Affairs.

create complications, and Marshal Pilsudski shared this view. He admitted that Poland had lately given Russia many causes for annoyance such as accession to power of Marshal Pilsudski who was still regarded as our tool against Russia, renewal of alliance with Roumania,⁴ delay in conclusion of treaties with Baltic states, which was wrongly attributed to Polish influence, and Poland's election to council. He had advised his government to take this Russian demonstration of annoyance calmly as it did not mean much and certainly had no warlike significance. He was in no hurry to speak to Soviet government about the treaty but in a few days he would instruct Polish Minister at Moscow to draw the attention of Soviet government in correct and conciliatory terms to disavowal of treaty of Riga⁵ implied in new treaty with Lithuania for according to treaty of Riga there was no such thing as a Russo-Lithuanian frontier. Such a formal protest His Excellency explained was necessary to guard against surprises in future. He was sure that excitement would soon pass over. On the other hand remembering view taken of Russo-German treaty he saw nothing in the treaty that was at variance with Lithuanian obligations under article 16 of covenant of League of Nations. His government had desired to bring matter before council under article 11 of covenant but he had dissuaded them from doing so on the ground that there was no threat to international peace.

Finally Minister for Foreign Affairs suggested that it could be advantageous if the Great Powers represented on Conference of Ambassadors drew attention of Lithuanian government to discourtesy and disrespect involved in such a public repudiation of decision given by them at the request of Lithuanian and Polish governments.⁶ He had made similar suggestion to French Ambassador who had promised to refer it to his government.

Addressed to Foreign Office No. 135. Repeated to Riga and Moscow.

⁴ The Polish-Roumanian treaty of March 26, 1926, is printed *ibid.*, pp. 981-3: see Volume I, No. 401.

⁵ This peace treaty of March 18, 1921, between Poland and the Soviet Republics of Russia and the Ukraine is printed, with annexed documents, in *British and Foreign State Papers*, vol. 114, pp. 917-50.

⁶ On March 15, 1923, the Conference of Ambassadors had agreed to a definition of the eastern frontiers of Poland: see *op. cit.*, vol. 118, pp. 960-3.

No. 247

Viscount D'Abernon (Berlin) to Sir A. Chamberlain (Received October 12)
No. 685 [C 10878/10060/18]

BERLIN, October 9, 1926

Sir,

With reference to your despatch No. 1259¹ of the 1st instant (C 10535/10060/18) I have the honour to transmit a minute prepared by Mr. Finlayson

¹ Not preserved in Foreign Office archives. This despatch transmitted to Berlin copies of the Treasury letter of September 30 and note of September 27: see No. 237, enclosure and note 5 respectively.

of his conversation of the 4th instant, with Mr. Parker Gilbert on the financial issues arising out of the Thoiry conversations.²

2. You will observe that there is a certain divergence between the views of Mr. Gilbert and those taken by His Majesty's Treasury, as expressed in their note of the 27th September, on 'the commercialisation of German reparation bonds and other similar schemes'. Whereas His Majesty's Treasury believe that a mobilisation of the German debt could only be effected if and when the allied Powers had come to a final settlement with Germany of her aggregate total reparation obligations, Mr. Gilbert thinks that the Thoiry conversations, by limiting the field to certain defined objects, preclude all possibility of opening up the discussion of a general settlement and that this limitation constitutes one of the most attractive features of the proposals.

3. The most important feature of Mr. Gilbert's views relates to the stabilisation of the French franc. In his opinion this is at present the prime necessity for Europe and he is disposed to see in the Thoiry conversations the basis of a plan that could finally be used to prevail upon the French to take the steps to stabilise their currency. To this end Mr. Gilbert would apparently recommend other reparation receiving countries to make the necessary financial sacrifices.

I have, &c.,
D'ABERNON

² Not printed. The chief points made by Mr. Parker Gilbert are indicated below.

No. 248

Viscount D'Abernon (Berlin) to Sir A. Chamberlain
(Received October 10, 4.50 p.m.)

No. 277 Telegraphic [C 10779/10060/18]¹

BERLIN, October 10, 1926, 3.10 p.m.

My telegram of 7th October.²

I had a conversation with Minister for Foreign Affairs last night at the President's dinner. He again expressed his gratification with the communication which I had based on your telegram of 4th October.³ Since receiving this, he had talked the matter over with Parker Gilbert who was, however, as non-committal as the delphic oracle. His Excellency gathered that Gilbert was not hostile to a partial issue, but, at the same time, not hopeful.

¹ The filed copy here printed is headed 'Paraphrase', but differs in unimportant detail only from another text in Foreign Office archives.

² Berlin telegram No. 272, not printed, reported Dr. Stresemann's reaction, as reiterated below, to Sir A. Chamberlain's message in No. 239. He had not considered that the meeting at Leghorn was 'in any sense indicative of hostility to Thoiry. He was glad, however, to know that Signor Mussolini had felt as you on this subject.' Lord D'Abernon added that Dr. Stresemann was 'entirely agreeable' to the proposal in No. 239 regarding consultation of experts of other interested powers.

³ No. 239.

It was certain that America would do nothing without ratification of Franco-American agreement and without stabilisation of the franc.

Stresemann went on to say that, according to his information from New York, anything like a loan to France was taboo. The resentment against French failure to ratify and French financial management was extremely strong. On the other hand a loan to Germany was possible; indeed Minister for Foreign Affairs thought that American market rather over-rated Germany's prosperity.

Reviewing the whole position after Thoiry His Excellency inclined to the view that we must get back to Locarno basis as soon as possible. Locarno basis was essentially England France and Germany. Italy and Belgium must be included and treated with the utmost courtesy but real framework was tripartite. That was the essential structure.⁴

Addressed to Foreign Office, repeated to Paris and Brussels.

⁴ In his immediately following telegram Lord D'Abernon stated that owing to the importance of the views recorded in this paragraph, he had thought it prudent to make sure that his version correctly represented Dr. Stresemann, who had confirmed that this was so.

No. 249

Sir A. Chamberlain to Sir R. Hodgson (Moscow)

No. 752 [N 4571/387/38]

FOREIGN OFFICE, *October 11, 1926*

Sir,

I received M. Krassin¹ this afternoon. After alluding to the only previous occasion on which we had met, which was the first day of negotiations that subsequently resulted in the Trade Agreement,² M. Krassin said that he was instructed to inform me that it was the desire of the Soviet Government to remove causes of difficulty and to establish friendly relations with His Majesty's Government. He was not, he said, in a position to make any proposals at the present moment. He had been absent from England for three years and he recognized that great changes had taken place in the interval. He desired time to inform himself of present conditions, but he hoped that it might be possible if there were goodwill on our side to negotiate presently an agreement which might take the place of the treaty signed by our predecessors which His Majesty's present advisers had felt unable to present to Parliament for its approval.

M. Krassin then spoke of the hostility evinced to the Soviet Government in certain British circles, especially as exemplified in the resolution passed at the Conservative Party Conference at Scarborough calling for the expulsion of the Soviet agents from this country and the rupture of diplomatic relations.

¹ Soviet Chargé d'Affaires in London. For M. Krassin's report on this conversation see *Dokumenty Vneshney Politiki S.S.S.R.*, vol. ix, No. 300.

² The reference was probably to the conference on June 7, 1920: see First Series, Volume VIII, No. 25.

He trusted, however, that His Majesty's Government would not take this step or at any rate would not take it at present. He must repeat that it was the real desire of the Soviet Government to place our relations on a proper footing and that if we were animated with equal goodwill it should be possible to reach agreement. He then developed at considerable length the opportunities for trade offered by the Russian market.

I replied that I presumed that M. Krassin was informed of the conversations which I had held at different times with his predecessor. I was well aware that the Soviet Government were obsessed with the idea that the whole purpose of the policy of His Majesty's Government was to combine the States of Europe in an anti-Russian *bloc*. I would repeat what I had said to M. Rakovsky,³ though with not much hope that my words would receive more credence now than then. There was not a shadow of foundation for this idea. Whenever I had been approached by the representatives of other States as to the course of policy which they should adopt towards Russia (and this had been not infrequently), I had held the same language. I had said that the policy of His Majesty's Government was Peace, that anything which improved the relations of neighbouring Powers had the goodwill of His Majesty's Government, and that so far from taking umbrage at any *détente* or improvement in their relations with Soviet Russia, I should welcome it with the conviction that no such agreements could be made without indirectly helping to bring Russia and Great Britain nearer together. As to what he had said about the Conservative Conference, I reminded him that very much the same demand had been put forward in the House of Commons shortly before the recess, and that I had then explained the policy of His Majesty's Government,⁴ which I would beg him to take from the lips of His Majesty's Ministers rather than from the press articles or other sources to which he had made allusion. It was no concern of mine what system of government other countries adopted. I had not to consider whether I should be a Communist in Russia or a Fascist in Italy or to what section of French public opinion I should adhere if I were a Frenchman. I represented a Government. It was my business to cultivate good relations with other Governments and, provided only that they respected our liberty and the system which the British people had chosen, my attitude was unaffected by the character of their institutions. I must, however, speak quite frankly. When the Trade Agreement was signed, the larger political issues which separated our Governments had been adjourned for later consideration in the hope that the renewal of diplomatic relations and the revival of trade would render them easier of solution. Only one political stipulation had found a place in the agreement. It was the clause in which we mutually undertook not to employ or to encourage propaganda in other countries hostile to our respective Governments. I must say plainly that this clause had never been observed by the Soviet Government. Wherever their influence could be exercised, wherever their agents were present from distant China to this City of London, they were engaged in active intrigue against

³ Cf. No. 90 and Volume I, No. 65.

⁴ See No. 80, note 7.

British interests and the British Empire. His Majesty's Government had shown the utmost measure of patience and forbearance under circumstances of almost intolerable provocation—a patience and forbearance greater than they had ever shown to any other Government, not excluding the former Governments of the Czars. I desired better relations. I was willing to consider serious propositions made on a basis which gave a reasonable prospect of success, but before he renewed this conversation or made any such proposals to me I would beg him to consider what guarantees he could offer me that this clause of the Trade Agreement, which must be reaffirmed in any new treaty, would be kept in future though it had been broken in the past. I could not conceal from him that the effect produced by the events of the last few years upon British public opinion would make it very sensitive, and that to have any prospect of carrying opinion with me I must be able to give it satisfaction on this point. Then there were other questions of principle which had hitherto separated our Governments. He must remember, for example, that it was contrary to our settled policy to make any further loans from Government to Government or to use British credit to guarantee a foreign loan. Finally there was the question of the obligations of Russia to the British Government and to British citizens. His Majesty's Government did not affect to believe that it was in the power of Russia in present conditions to meet these obligations in full, but if we were to have any prospect of negotiating successfully, the obligations themselves must be recognised in principle and we could then discuss how far and in what manner it was possible for Russia to satisfy them.

As to trade I observed that, from figures drawn from the Russian statistics which I had just received from you, it appeared that we were already Russia's best customer though her purchases from us were very much less than our purchases from her.⁵ His Majesty's Government, it would be seen, placed no obstacles in the way of trade between our two countries, but trade was partly a matter of credit and credit was a matter of confidence. It had never been the practice of British bankers or traders to give as long credits as were common in Germany before the War, but no doubt the instability and uncertainty of our political relations made British investors and traders less willing to take whatever commercial risks were involved.

The conversation was a long one lasting for more than an hour. Until the end it consisted merely in an elaboration and repetition of our respective points of view, but just before leaving M. Krassin referred to the recent treaty between Russia and Lithuania. He stated that he was desired by his Government to say that the treaty covered no aggressive design, that it was a simple pact of amity and mutual non-aggression. It involved no breach of Russia's treaty with Poland, for all that that treaty had said was that Russia would recognise any frontier agreed between Poland and Lithuania, and Russia was ready to-day, if such an agreement were reached, to accept and recognise the result. The Soviet Government was, however, somewhat alarmed lest Marshal Pilsudski, whom they had known of old, should be

⁵ See No. 80, note 9.

tempted to take some rash action endangering the peace. If, for example, he were to commit an act of aggression against Lithuania, serious consequences might follow, and as the policy of the British Government was peace his Government hoped that we might find it possible to exercise a restraining influence in Warsaw.

I told M. Krassin that, having only returned to the office to-day, I had not been able to make a detailed study of the Russo-Lithuanian Treaty, but that my first impressions coincided with his description. As to Polish policy, I observed that such information as I had received from Warsaw or other sources indicated no such aggressive intentions on the part of Marshal Pilsudski. I believed him to be aware that Poland's great need was for stable government and peace, and I thought him much more likely to seek to improve relations with his neighbours than to embark on an unprovoked attack on any one of them. I could only hope that the conduct of the Lithuanian Government, which had not always been above reproach, might be equally prudent, and that they would avoid any repetition of the kind of frontier incident which had often occurred in the past and for which I, and I believed other members of the Council, had felt they were not wholly without blame. In any case both States were members of the League of Nations. Any act of aggression would be certain to call forth an appeal to the League and the aggressor would incur the penalties provided by the Covenant.

M. Krassin expressed the satisfaction with which he would report to his Government my reassuring view of Polish policy.⁶

I am, &c.,
(For the Secretary of State)
C. W. ORDE

⁶ Sir W. Tyrrell minuted on October 15 that M. Krassin had called on him that day and had 'repeated to me what he had said to the Secretary of State on the 11th, that his government had entrusted him with a mission to improve trade relations between the two countries, and for this purpose, as a first step, he was making himself acquainted with conditions here, as he was under the impression that considerable changes had occurred since he left three years ago. I replied that I should always be happy to help him in any way I could in carrying out his desire to promote good relations and trade between the two countries.'

No. 250

Sir R. Hodgson (Moscow) to Sir A. Chamberlain
(Received October 12, 3.55 p.m.)

No. 230 *Telegraphic* [N 4576/245/38]

MOSCOW, October 12, 1926, 2 p.m.

Your telegram unnumbered of October 6th.¹

Press is inclined to exaggerate immediate importance of party quarrel which is indeed being conducted with extreme virulence but, whatever the

¹ Not preserved in Foreign Office archives. The draft of this telegram was docketed as 'stating that press is giving considerable prominence to opposition developments in Soviet Union and requesting [Sir R. Hodgson to] furnish a review of the situation'.

issue may be, neither threatens the stability of Soviet government nor foretells serious modifications of policy, internal or external. Differences of opinion between the President of the central committee and the opposition are mainly artificial and being distorted for internal purposes are little understood by the party masses and are entire gibberish to the population as a whole which is indifferent to dispute except in so far as it sees in it evidence that the ruling class is at loggerheads. Communism has not penetrated the nation as such and things will go on much as before whether Stalin or Trotsky is victorious. Central committee is fighting desperately to maintain the party absolutism which is challenged by the new movement realising that one hostile group inevitably begets others, and that once so called democracy within the party is established, its own authority is doomed. Therefore it is employing every device in order to discredit opposition and weaken standing of its leaders so as to permit of latter being suppressed with minimum disturbance to party organisation. In all probability Zinoviev and Trotsky at least will be excluded from party at forthcoming session of central control commission and temporary respite will thus be secured.

There is, however, strong undercurrent of sullen dissatisfaction fed by difficult economic conditions, high cost of living, low wages, constant growth of unemployment and shortage of essential commodities: it affects both town and country, is growing in volume and gradually becoming more extreme. Opposition endeavours to turn this feeling to account for its own purposes while central committee proclaims that interference of opposition prevents its dealing with causes of discontent. To sum up, present conflict marks the end of an epoch in the history of the communist party but it is a mere episode in the process of the country's evolution.²

² Mr. Gregory minuted on October 13: 'It is always satisfactory to have our own impressions and conclusions confirmed!'

No. 251

Sir A. Chamberlain to Sir W. Max Muller (Warsaw)

No. 52 Telegraphic [N 4529/124/59]

FOREIGN OFFICE, October 12, 1926, 7 p.m.

Your telegram No. 135.¹

Attitude of M. Zalewski [*sic*] appears to me wise and statesmanlike. I deprecate only suggestion of action by Council of Ambassadors which I think would scarcely be dignified for them and would probably rather gratify the desire of Lithuanian government for *réclame*. Explanation of Russian policy given you by Minister for Foreign Affairs corresponds closely with what M. Krassin said to me when presenting his credentials on Monday.² He added that Soviet government felt some fear lest Marshal Pilsudski should seize the occasion to commit some act of aggression on Lithuania and

¹ No. 246.

² October 11, 1926: see No. 249.

requested me to urge moderation at Warsaw. I replied that my information led me to form quite a different opinion of the Marshal's intentions. I believed that he realised that Poland's great need was peace and stability and that he would be far more anxious to improve relations with her neighbours than to pick a quarrel with any of them. I only trusted Lithuanian government would show equal restraint and goodwill.

Please inform M. Zalewski of my views and language. You will make it clear that I do this as an act of courtesy and friendship, not in any sense as sharing the Soviet government's apprehensions or as complying with their request for which I made it clear to M. Krassin that I considered there was no ground.

Repeated to Riga No. 25 and Paris (by bag) No. 242.

No. 252

Sir A. Chamberlain to the Marquess of Crewe (Paris)

No. 2881 [C 10909/10060/18]

FOREIGN OFFICE, October 12, 1926

My Lord Marquess,

M. de Fleuriau called at the Foreign Office to-day. Our conversation naturally opened with a reference to my meetings with M. Mussolini and M. Briand and then drifted to the Thoiry conversation and to the suggestion made by the French Government to the Governments of Italy and Belgium that they should join in representations to the United States Government in favour of the mobilisation of a portion of the German bonds—a suggestion for which the French Government had also bespoken our goodwill. The Ambassador told me in confidence that this proposal though following closely upon the Thoiry conversation had in fact originated from and been inspired by the earlier conversations between M. Poincaré and M. Francqui and was quite independent of what had passed at Thoiry. I told him that I was considering the proposal, but that I was not yet in a position to reply to it. I might, however, say that at first sight it had not commended itself to me as opportune. I hoped, however, to give him a definite answer in the course of a few days when I should also communicate my opinion to the Italian Government which had enquired as to our attitude.

On this subject the Ambassador made a communication of some interest to me. On the 6th October the representative of the Kriegslasten Kommission,¹ Dr. Ruppel, declared to the secretary-general of the Reparation Commission that he was instructed *officially* to inform him that 'conversations are in progress at this moment' between the French Government and the German Government with a view to an arrangement entailing the partial mobilisation of railway bonds and the repurchase by Germany of the Saar mines.

M. Briand thought it right to instruct the French delegate, M. Chapsal, to

¹ German War Burdens Commission.

make the position clear and to point out that the unofficial *démarche* of Dr. Ruppel was the result of a misunderstanding.

M. Briand and M. Stresemann did no more than place on record at Thoiry that it was to the common interest of their two countries to examine together the various questions pending between France and Germany with a view to settling them by agreement. They had recognised the expediency of seeking a comprehensive settlement rather than the isolated settlement of one or more particular questions. The agreement on these principles was conditional on the previous approval of the two Governments. This approval has been given, but no bi-lateral discussion on the precise points has taken place nor strictly speaking has negotiation commenced. Further, M. Chapsal should assure his colleagues of the Reparation Commission that the French Government intends to keep in touch with the Allies on the subject of the questions which interest them all.

M. Briand is communicating this explanation to M. Stresemann² and also informing him of the astonishment which Dr. Ruppel's *démarche* has caused him. At Thoiry they had both agreed to get their experts to investigate each for their own part the different parts of their programme and not to resume the conversations until this investigation, now hardly commenced, was complete. Nothing justified Dr. Ruppel in making it appear that negotiations were in progress or in raising separately questions complex in themselves which had not been mentioned at Thoiry except in the most general terms.

Problems connected with Franco-German relations cannot be solved in a few weeks. They cannot be usefully discussed except in a calm and clear atmosphere. Tendentious and precipitate *démarches* merely make the desired rapprochement more difficult.

I am, &c.,

AUSTEN CHAMBERLAIN

² Cf. Gustav Stresemann, *op. cit.*, vol. iii, pp. 43-44. Dr. Stresemann informed the French Chargé d'Affaires on October 11 that Dr. Ruppel had received no instructions from the German Government.

No. 253

Sir A. Chamberlain to Mr. Addison¹ (Berlin)

No. 1313 [C 10956/10060/18]

FOREIGN OFFICE, *October 14, 1926*

Sir,

The German Ambassador repeated to me to-day on Dr. Stresemann's behalf the message which he had already sent me through Lord D'Abernon

¹ Lord D'Abernon had left Berlin on his retirement, leaving Mr. Addison in charge of H.M. Embassy until October 31 when Sir R. Lindsay arrived to take up his post as H.M. Ambassador.

in reply to my telegram about my Leghorn and Paris conversations.² He further confirmed M. Briand's account of the limitations of the conversation at Thoiry and of the absence of any concrete plan.

Our conversation then roamed over the many events which had happened since our last meeting before his departure from London on leave and mine for Geneva, and we found much cause for satisfaction in the continued improvement in international relationship. I emphasised that it was now the settled policy of the Cabinets of London, Paris, Berlin and Rome to collaborate loyally and frankly in the development of the friendly relations which had been established among us.

I am, &c.,

AUSTEN CHAMBERLAIN

² See No. 248.

No. 254

Sir A. Chamberlain to Sir R. Graham (Rome)

No. 1400 [C 10957/10060/18]

FOREIGN OFFICE, *October 14, 1926*

Sir,

The Italian Chargé d'Affaires handed me to-day a copy of Signor Mussolini's record of our conversation at Leghorn which he desired me to examine and confirm. I said that I would have the record translated¹ and would communicate with him again when I had read it.

Signor Rosso then said that it had been intimated to the Italian Government that Dr. Stresemann had been a little surprised that he had received no account of the Leghorn conversation from the Italian side. Signor Mussolini would be glad if I would let him know how much of it I had communicated to Dr. Stresemann in order that he might follow the same lines. I accordingly read to Signor Rosso the first paragraph of my telegram No. 114 of the 4th October to Lord D'Abernon.²

Signor Rosso next enquired whether I was now in a position to indicate the nature of the response which I was going to make to the communication from the French Government about the mobilisation of German railway bonds, and I gave him the substance of the communication which I am to-day making to the French Ambassador³ as well as my further suggestion to both M. Briand and Dr. Stresemann as to the desirability for consultation with other interested Powers.⁴

Signor Rosso asked if I could indicate any date for the visit of a British expert to Rome to discuss the Red Sea questions.⁵ The Governor of Eritrea was now in Rome and it would be a convenience to him if a date could be

¹ See No. 255.

² No. 239.

³ See No. 256.

⁴ See Nos. 238 and 239.

⁵ See No. 445, note 3.

fixed. I replied that several departments of His Majesty's Government were concerned and I feared that it would be a little time before I could give the necessary instructions to the British representative. I would hasten matters as much as possible, but the meeting of the Imperial Conference⁶ brought a great addition to the daily work of us all. Signor Rosso asked if he might inform Signor Mussolini that the idea of a conference was accepted in principle, and I answered definitely in the affirmative.

Finally, Signor Rosso informed me that the Lithuanian Government had sent the Italian Government a memorandum making various charges against the Polish Government and indicating a fear of Polish aggression. He enquired whether the Lithuanian Government had made a like communication to me, and what reply I intended to send, and he asked if he might be permitted to enquire as to the character of the conversation between M. Krassin and myself. I informed Signor Rosso that I had received no communication from the Lithuanian Government, and I gave him an account of what had passed between M. Krassin and myself as recorded in my despatch to Sir Robert Hodgson.⁷ As M. Krassin had spoken to me about the Polish attitude towards Lithuania, my reply to M. Krassin indicated the nature of the reply which I should make to the Lithuanian Government if they did approach me. I should add only that if they could not settle their grievances with Poland in the most direct and desirable way, namely by friendly negotiation between the two Governments, an appeal to the League of Nations was open to them, and I should encourage them to appeal to the League rather than to myself. I had, however, derived the impression that the Lithuanian Government was rather inclined to exaggerate or to imagine incidents for the purpose of propaganda, especially about the time when the Council of the League was meeting.⁸

I am, &c.,
AUSTEN CHAMBERLAIN

⁶ The Imperial Conference met in London from October 19 to November 23, 1926: for cf. the proceedings Cmd. 2768-9 of 1926.

⁷ No. 249.

⁸ In a private letter of October 14 to Lord Crewe, Sir A. Chamberlain stated that he had also spoken to Signor Rosso in pursuance of a recent suggestion by M. Briand 'that if I had an opportunity of inculcating the necessity for moderation in the language of the Italian Press and indeed in Mussolini's own utterances it might be useful'. For Italian records of Sir A. Chamberlain's conversation with Signor Rosso see *I Documenti Diplomatici Italiani*, Settima Serie, vol. iv, pp. 355-7.

Translation¹ of M. Mussolini's Record of his Conversation with Sir A. Chamberlain at Leghorn on September 30, communicated by Italian Chargé d'Affaires on October 14, 1926²

[C 11092/9326/22]*

THOIRY

Chamberlain said to me *textually*³ as follows:—

The policy of Franco-German rapprochement is regarded with sympathy by the Foreign Office. Great Britain desires to add to the elements of political and therefore economic stabilisation in Europe, and a Franco-German understanding is essential to that end. I myself have encouraged Briand, warning him, however, that the understanding should not be made at my expense, for instance, in the matter of reparations. All this is in the framework of Locarno. It is evident that Thoiry is only a preamble to agreements which limit themselves solely to mitigating some of the clauses of the Treaty of Versailles, for example, that regarding the plebiscite in the Saar. If it took place to-day, 99 per cent. would vote for Germany; in 1935, 100 per cent. would vote for Germany. A political understanding must not be considered impossible, but it should not be thought to be immediate. Too many centuries of struggles, wars and bitterness have separated the two nations to be able to suppose that they can forget everything in a short time. The steel combine⁴ is not viewed by England with disfavour. The British manufacturers did not take part in it because there is no one among them who has sufficient power to impose a uniform line of conduct upon all the others. On the whole any agreements arrived at in Thoiry will be regarded with favour by England.

I replied: A Franco-German rapprochement meets with no hostility in Italy, both for the reasons of a general nature explained by your Excellency (political stabilisation, general economic recovery) and also because of the relations between Italy and France and Italy and Germany. It is clear that a Franco-German alliance would not only render Locarno useless, but would create a new situation on the continent which would not be free from anxieties. As regards the relations between Italy and France, officially they are normal, and the periods of tension which from time to time disturb them should not be considered or feared beyond their true bearing. Disputes, often; ruptures, no. On the other hand, while the Italian Government have been able to settle in these last four years all the questions which were pending

¹ The Italian text communicated by Signor Rosso (see No. 254) is not preserved in Foreign Office archives: see, however, the Italian reports of the interview in Leghorn printed in *I Documenti Diplomatici Italiani*, Settima Serie, vol. iv, pp. 341–6. For Sir A. Chamberlain's record of the conversation see No. 235.

² *Note on filed copy:* 'Comments and Corrections by Sir Austen Chamberlain as shown in the margin [see notes 3, 5–7, 11–13, and 15 below] refer to passages in square brackets [here marked by asterisks].'

³ Marginal correction by Sir A. Chamberlain: 'in substance'.

⁴ Cf. No. 244.

with England, it has not been so as regards France. The question of the Italians in Tunis has been dragging on for four years. Not only so, but France has been blocking our path at Tangier and Addis Ababa. It would appear that the reluctance of France to conclude anything with Italy is due to the lack of confidence on the part of the Quai d'Orsay in the stability of the Fascist régime, which is simply absurd and ridiculous, particularly after four years. The French Government will have to make up its mind to remove the obstacles in the way of a complete clarification of Franco-Italian relations, and will find in myself—who am personally acquainted with Briand—the most friendly disposition.

Chamberlain: It is a pity that considerations of domestic policy should interfere in international relations. As regards Abyssinia, the question is practically settled. The appeal made by Ras Taffari at Geneva has been *a failure*.⁵ The French opposition is perhaps due to the fact that *we have kept our negotiations secret*⁶ and to the action taken at Addis Ababa by a French resident,⁷ the aulic counsellor of Ras Taffari. On several occasions I have asked Briand to 'give his personal attention to the relations between France and Italy,' which I desire to be cordial for so many obvious reasons.

I added: Italo-German relations are at present in a phase of rapprochement. Dr. Stresemann has taken the initiative of proposing to Italy the conclusion of an arbitration pact of the Gaus type. I have welcomed the proposal of such a pact, which cannot, of course, exceed the limits of the Locarno one, and which can be signed at an early date. I believe that you have already been informed of this, but I tell you of it to give you an additional proof of the frank loyalty of the policy followed by the Italian Government.

Chamberlain: The Foreign Office will regard with satisfaction the conclusion of this pact.

MOROCCO AND TANGIER

Chamberlain: During his visit to London the King of Spain requested of me the incorporation of Tangier in the Spanish zone.⁸ I replied to him that it was impossible, and that it was like asking me for the moon. The attitude of the Foreign Office is as follows: The negotiations for the modification of the Tangier Statute should take place first of all between the two Powers most concerned: France and Spain. Later, when France and Spain have reached agreement, as regards the Italian demand also, there should take place a conversation *à quatre*. Italy's moral interests and interests of prestige are evident, and are fully recognised by the Foreign Office.

⁵ Marginal correction by Sir A. Chamberlain: 'dropped'. For the reference of the question of Lake Tsana to the League of Nations by Ethiopia see No. 92, note 2; cf. Volume I, No. 223, note 6. Ras Taffari, later Emperor Haile Selassie, was then Regent of Ethiopia.

⁶ Marginal correction by Sir A. Chamberlain: 'Italy at first offered insufficient explanation in Paris.'

⁷ Marginal comment by Sir A. Chamberlain: 'who is to be sharply distinguished from the French Government.'

⁸ See No. 92, note 1.

Mussolini: It is appropriate that I should make clear to your Excellency the attitude assumed by Italy with regard to the Spanish demands. The Italian Government have not in the least encouraged Spain in her request for a conference, convened in promptu at Geneva, because they felt that the Spanish plan had not been considered. Moreover, the Italian Government maintain their point of view, namely, that they will not accede to any new Statute in the final drafting of which Italy had not taken part and which does not take into account the material and moral interests of Italy.

ALBANIA AND THE BALKANS

Mussolini: I am anxious to liquidate the incident which arose at Durazzo in connection with the recall of the British Minister. At the same time it is a fact that I have never sent Ahmed Zogu any kind of ultimatum. The Italian policy with regard to Albania is conditioned by respect to the territorial integrity and the political independence of Albania. Italy only claims a kind of priority of economic interests. Ahmed Zogú has circulated reports that my ultimatum has been withdrawn on pressure exerted by the British Government. Hence the remonstrances of the Italian Minister.

Chamberlain: I am convinced that Ahmed Zogu has played a double game, but I am of opinion that your Minister ought not to have almost boasted that he had got the British Minister's head. You see in what a difficult position you have placed me. On the other hand, England has in Albania interests of an economic nature only, connected with the Italo-British conventions regarding oil. As regards all other matters, when the occasion arises, I desire to converse with Rome without going via Durazzo.

Mussolini: Signor Aloisi, the Italian Minister, denies in the most categorical manner having made boasts, and is of opinion that it is a continuation of Ahmed Zogu's manœuvres with the object of creating an Italo-British quarrel in Albania. As regards the remainder of the Balkan peninsula, Italy is pursuing a policy of pacific agreements. Thus she has concluded with Roumania the agreement with which Moscow is not pleased; and in this line of conduct are included the talks with Hungary and Bulgaria, whose Foreign Ministers I shall see in a few days. Coming to Greece, a rapprochement has been attained which may or may not be perfected, according to how the domestic political crisis of that country may develop. There remains Turkey; but in view of the predominant tendency in ruling Turkish circles, the attainment of a complete policy of friendship encounters some difficulties. Turkey is passing through a serious economic and financial crisis and the end of Kemal⁹ may aggravate the crisis. Therefore we can only wait.

Chamberlain: It appears also to the Foreign Office that Turkey is in the throes of a grave crisis. What I am going to tell you shows that Italy is suspected by Angora. Before the Mosul Agreement was arrived at the Turkish Ambassador in London asked me if I believed that Italy had undertaken engagements in Abyssinia, and if it was true that Italy had concluded a

⁹ Mustapha Kemal Pasha, President of Turkey.

military alliance with Greece. I denied both assertions *and asked the Turkish Ambassador not to give me the task of defending Italian policy because I was not the Minister for Foreign Affairs of Italy.*¹⁰ The problem of Turkey is a problem of waiting. *Not a minute before, not a minute after.*¹¹

In this connection I remember a question¹² which I put to Lord Fisher, of the Admiralty, at the beginning of my political career in that Department, and the reply which I obtained, which has served me as a guide in many later vicissitudes of my political life. As regards the Russian military system do I believe it to be inefficient? The Russian army *does not fight*¹³ outside the frontiers of Russia.

YEMEN

Mussolini: Faithful to the policy of loyalty with regard to yourself, we have given you intimation of the conclusion of the agreement with the Imam, and we have also communicated to you a summary of that agreement.¹⁴ It is essentially pacific, and does not injure the interests of others, while it affords the possibility of commerce to Italy and her colony Eritrea. As regards other matters, I accept your suggestion of an Anglo-Italian meeting at which the situation in the Arabian Peninsula can be studied. The Governor of Eritrea is in Rome and can await the arrival of a British representative.

Chamberlain: You understand that everything which may occur on the route to India interests us in a special manner. In addition, it was necessary to avoid a conflict between England and Italy being caused under the 'pavillons' of Assir on the one hand and Yemen on the other. *If that eventuality is avoided England has no objection to raise to the agreement arrived at with the Imam, and the general position in Arabia can therefore be considered by us together.*¹⁵

¹⁰ Marginal comment by Sir A. Chamberlain: 'No.' Cf. No. 92.

¹¹ Marginal correction by Sir A. Chamberlain: 'The greatest discretion and caution are required.'

¹² Marginal comment by Sir A. Chamberlain: 'For Foreign Office only. *Question:* If two ships built to ram charge one another, what will happen? *Reply:* The nerves of one captain will give way. He will make a mistake and—go to the bottom.' Sir A. Chamberlain had been Civil Lord of the Admiralty, 1895–1900. Lord Fisher, then Rear-Admiral Sir John Fisher, was Third Sea Lord in 1895.

¹³ Marginal correction by Sir A. Chamberlain: 'is not equipped for a serious campaign.'

¹⁴ See No. 445, note 1.

¹⁵ Marginal correction and comment by Sir A. Chamberlain: 'It was to avoid that eventuality that I communicated with you. I shall gladly accept your proposal for a meeting of our experts at which the general position in Arabia can be considered by us together. (N.B.—I had not seen the agreement and therefore carefully refrained from expressing an opinion on it.)'

Letter from Sir A. Chamberlain to M. de Fleuriau

[C 10969/10060/18]

FOREIGN OFFICE, *October 14, 1926*

My dear Ambassador,

In the course of our conversation on the 12th October,¹ I informed your Excellency that I hoped in the course of a few days to inform you of the views of His Majesty's Government on the question of the mobilisation of a portion of the German railway bonds in accordance with the suggestion which formed the subject of your communication to Sir William Tyrrell of the 28th September.² I now have much pleasure in sending you herewith an *aide-mémoire* expressing the views of His Majesty's Government on this question.

Yours very sincerely,

AUSTEN CHAMBERLAIN

ENCLOSURE IN NO. 256

Aide-mémoire

On the 28th September your Excellency was good enough to communicate to Sir William Tyrrell the instructions issued to the French Ambassadors in Brussels and Rome to invite the Belgian and Italian Governments to join the French Government in representing to the Government of the United States the interest which an immediate issue of a first portion of the German railway obligations contemplated by the Dawes Plan would have for the three Governments.

Your Excellency added that you were not instructed to ask for the assistance of the British Government whose financial situation was different from that of the French, Belgian and Italian Governments. It was, however, hoped that if the British Government did not join its efforts to those of the three Governments more directly interested it would at least be willing to indicate at Washington that it was favourable to their initiative, and that it considered that the moment had come to issue a considerable block of the Dawes Plan bonds.

His Majesty's Government have given this communication their most friendly and sympathetic consideration, desiring wherever possible to meet the wishes of the French Government and to co-ordinate their action with that of France.

They regret, however, to be obliged to declare that all the information which reaches them from Washington leads them to believe that the moment is not opportune for such an approach to the United States Government, and that it could not in the present state of American opinion be productive of any advantage to the Governments in whose interest it is more particularly suggested.

¹ See No. 252.

² No. 228.

His Majesty's Government must further consider that, even if the prospects in America were less unfavourable than they are, it would be difficult to approach the United States Government successfully without a scheme clearly defined in character and scope, and they fear that practical difficulties of a very serious kind are likely to be encountered in framing such a scheme.

In making this communication to your Excellency, I desire to repeat that His Majesty's Government are sincerely desirous of doing anything properly in their power to facilitate the solution of the problems to which the French Government are addressing themselves.³

Foreign Office

³ In a private letter of October 14 to Lord Crewe informing him of the present communication to M. de Fleuriau, Sir A. Chamberlain stated: 'I am a little alarmed by the way in which the French have allowed their imagination to run away with them, and I shall not be sorry to see a period allowed for sober reflection before any fresh advances are made in the Thoiry direction.'

No. 257

Letter from Mr. Holman¹ (Paris) to Mr. Troutbeck

[C 11024/436/18]

PARIS, October 14, 1926

Dear Troutbeck,

I enclose herewith for your information copy of a communication from the Military Attaché to the War Office on the subject of various questions outstanding with Germany. I am at the same time sending you advanced copies of notes addressed by the Versailles Committee either to the Ambassadors' Conference or to General Walch on the military control questions. I have had these copies taken from the Military Attaché's file so that you may have longer to consider them before the meeting of the Conference on October 20th. The official copies may not reach us for a day or so.

The only questions which appear troublesome are those connected with the Königsberg fortifications and military associations.

I shall go and see Massigli on these two points in order to find out what view the French delegation take in the matter. My conversation with Massigli a few days ago turned solely on air control in Bulgaria, Austria and Hungary and we did not touch any other questions.

Yours ever,

ADRIAN HOLMAN

¹ Second Secretary in H.M. Embassy at Paris.

ENCLOSURE I IN No. 257

Letter from Major-General Clive (Paris) to Major-General Charles (War Office)
No. 33/A/11 (2574)

Copy

PARIS, October 13, 1926

With reference to my letter 33/A/11 (2565)² of 8th October, 1926, I forward herewith eight letters addressed either to the Ambassadors' Conference, or to General Walch. I have approved them.

To the Ambassadors' Conference:

- No. 468/1.—Illegal enlistments.³
- 469/1.—Activities of Associations.⁴
- 470/1.—Higher Command.⁵
- 471/1.—Military Establishments.⁶
- 472/1.—Fortifications.⁷

To General Walch:

- No. 473/1.—Training of Staff Officers.⁸

² Untraced in Foreign Office archives.

³ Not printed. This letter of October 12, also transmitted to the Foreign Office in Paris formal despatch No. 1914 of October 15, referred to the enclosure in No. 201 and proposed that the question of the legal validity of the draft German decree (see No. 201, note 4) should be referred to the Drafting Committee of the Conference of Ambassadors.

⁴ Enclosure 2 below. This letter with enclosures was also transmitted to the Foreign Office in Paris formal despatch No. 1921 of October 16.

⁵ Not printed. This letter of October 12, also transmitted to the Foreign Office in Paris formal despatch No. 1915 of October 15, stated that the resolution of the Conference of Ambassadors of April 14 (see Volume I, No. 427, note 4) had not been executed by the German Government. The Allied Military Committee of Versailles proposed, however, to the Conference of Ambassadors 'de prendre acte des déclarations écrites par lesquelles le Général von Pawel[s]z, Commissaire du Reich et représentant qualifié du Gouvernement allemand, a fait connaître que son Gouvernement n'avait pas l'intention de créer le poste d'Inspecteur Général des Troupes et qu'il ressort, par suite des dites déclarations, qu'il n'existe pas en Allemagne d'organe du [de] Haut Commandement autre que ceux prévus par l'article 160 du Traité de Versailles.'

⁶ Not printed. This letter of October 12, also transmitted to the Foreign Office in Paris formal despatch No. 1916 of October 15, stated that the Allied Military Committee considered that the note from the German Government printed as the enclosure in No. 200 furnished no 'raison pouvant expliquer le retard qu'il met à aliéner définitivement les établissements militaires en excédent'. The Committee 'émet à l'unanimité l'avis de proposer à la Conférence des Ambassadeurs d'inviter le Gouvernement allemand à arrêter d'accord avec la C[ommission] M[ilitaire] I[n]teralliée de] C[ontrôle] un programme complet d'aliénation définitive des Établissements militaires en excédent, cette aliénation devant être réaliser [sic] dans les délais fixés au dit programme et d'accord avec la C.M.I.C.'

⁷ Enclosure 3 below.

⁸ Not printed. This letter of October 12 concluded that the Allied Military Committee considered that the Inter-Allied Military Commission of Control had obtained 'des résultats suffisants et décide en conséquence qu'il n'y a pas lieu de poursuivre l'exécution de nouveaux redressements à ce sujet'.

474/1.—Luftamt.⁹

475/1.—Police Statute.¹⁰

It will be seen that in three cases, (Higher Command, Luftamt, and training of Staff Officers), the letters recommend, or direct, a closing of the question. As regards the remainder:—

Illegal Incorporation. This is for reference to the Legal Advisers.

Associations. This is drafted in such a way that the Ambassadors' Conference, can, if it so wish, drop the unexecuted demands made in their letter of 24th May [17th August],¹¹ without 'turning down' its military advisers.

Military Establishments. The point of asking for a programme of alienation, together with an undertaking to execute it, is that as soon as this demand has been fulfilled, the C[ommission] M[ilitaire] I[n]teralliée de] C[ontrôle] work in the matter may be considered finished.

Fortifications on the Eastern Frontier

The word 'incontestable' was put in without my consent; I think it is open to discussion whether the Germans, in order to enable their Army to protect the frontier, and being allowed to defend themselves against air attacks, are not entitled to put their infantry into dug-outs. The action of the Ambassadors' Conference will depend on whether they share the opinion of the C[omitée] M[ilitaire] A[llié] de] V[ersailles] or not.¹²

Police Statute

The conciliatory nature of this letter is obvious; and the matter may thus be settled without reference to the Ambassadors' Conference.

I understand that the Ambassadors' Conference will meet on the 20th. You might possibly see an advantage in a preliminary talk with the Foreign Office, as they cannot get copies from the Chancery for some days.

E[G]. S. CLIVE

Major General,
British Representative
Allied Military Committee of
Versailles.

⁹ This letter of October 12 regarding the air department of the Reichswehrministerium is not printed. The Allied Military Committee stated in particular that it considered 'qu'il n'y a pas lieu d'entrer dans le détail de l'organisation du bureau du R.W.Ministerium chargé d'étudier les mesures de défense contre avions. En conséquence: Il est en conséquence d'avis de ne pas poursuivre de nouveau redressement concernant le bureau d'aviation du R.W.Ministerium. Cette question doit donc être considérée comme réglée.'

¹⁰ Enclosure 4 below.

¹¹ Enclosure in No. 179.

¹² General Wauchope stated in his notes No. 69 of October 15 (copy communicated to the Foreign Office by the Director of Military Operations and Intelligence on October 20): 'I think you will agree with me that the actual destruction of the Shelters built round Königsberg is not essential, though it is essential to maintain our standpoint that the construction of such Shelters is contrary to Article 180' of the Treaty of Versailles.

ENCLOSURE 2 IN No. 257

Marshal Foch to the President of the Conference of Ambassadors

No. 469/1

Copie

le 12 Octobre 1926

J'ai l'honneur de vous adresser ci-joint l'avis¹³ exprimé par la C.M.I.C. sur la lettre No. 2777¹⁴ de l'Ambassadeur d'Allemagne à Paris en date du 6 Septembre dernier au sujet de l'activité militaire des Associations allemandes.

Le Comité Militaire Allié, d'accord avec la C.M.I.C. estime que dans cette lettre le Gouvernement allemand, sauf en ce qui concerne l'engagement d'abroger le décret du 24 Mai 1921, ne donne pas satisfaction aux demandes contenues dans la lettre du Président de la C.A. en date du 17 Août 1926.¹¹

Le C.M.A.V. a l'honneur de proposer que la Conférence des Ambassadeurs prenne les dispositions qu'elle jugera nécessaires pour faire appliquer effectivement le décret du 12 février 1926, dans les conditions prévues par son Président dans sa lettre du 17 août dernier, en insistant sur le droit de la C.M.I.C., qui représente à Berlin la Conférence des Ambassadeurs, de contrôler pour sa part la mise à exécution des ordonnances rendues.

FOCH

ENCLOSURE 3 IN No. 257

Marshal Foch to the President of the Conference of Ambassadors

No. 472/1

Copie

12 octobre 1926

J'ai l'honneur de vous adresser ci-joint les lettres No. 13.473¹⁵ du 13 septembre 1926 et 13.476¹⁵ du 18 septembre 1926 ainsi que le télégramme 1835¹⁵ du 27 septembre dans lesquels la Commission Militaire Interalliée de Contrôle rend compte:

d'une part que le Gouvernement allemand lui a déclaré ce qui suit: (lettre du Général von Pawel[s]z 669/9-26¹⁵ du 14 septembre 1926 ci-jointe)

'Dans l'article 180, l'installation de nouvelles fortifications est uniquement interdite dans la zone désignée au I^o alinéa, c'est à dire à l'ouest d'une ligne située à 50 kilomètres à l'est du Rhin. Dans tout le reste de l'Allemagne le Gouvernement allemand a la liberté complète d'installer des forteresses comme il le juge nécessaire pour la défense du pays. En ce qui concerne les ouvrages fortifiés de la frontière sud et de la frontière est de l'Allemagne il est uniquement stipulé que le système continue à exister dans son état actuel.'

¹³ This *avis* and attached opinion of Colonel F. Norris, Legal Adviser to the Commission of Control are not printed.

¹⁴ Enclosure in No. 202.

¹⁵ There were no annexes to the present copy of this letter. The text transmitted to the Foreign Office in Paris formal despatch No. 1932 of October 18 was accompanied by the following documents: General Walch's letters Nos. 13,473 and 13,476, General von Pawelsz's letters Nos. 669/9.26 and 671/9.26 of September 4 and General Walch's telegrams Nos. 1830-1 of September 7.

d'autre part qu'en vertu de son interprétation de l'article 180 le Gouvernement allemand a construit sur la frontière orientale du Reich un certain nombre d'ouvrages de fortification bétonné[s] nouveaux, à savoir; 53 abris dans la place forte de Königsberg, 15 à Lötzen, 14 à Glogau, 5 à Küstrin.

Le Comité Allié à Versailles, partageant l'avis exprimé par la C.M.I.C., estime que, contrairement à la thèse allemande, la construction des dits abris apporte au 'système des ouvrages fortifiés des frontières Sud et Est de l'Allemagne' des modifications qui constituent une violation incontestable de l'article 180 (I) du Traité de Versailles.

Si la Conférence des Ambassadeurs partage cette manière de voir, le C.M.A.V. a l'honneur de lui proposer que le Gouvernement allemand soit rappelé à la stricte observation de l'Article 180 et soit invité à opérer sans délai et sous le contrôle de la Commission Militaire Interalliée de Contrôle la destruction des ouvrages incriminés.

FOCH

ENCLOSURE 4 IN No. 257

Marshal Foch to General Walch (Berlin)

No. 475/1

Copie

12 octobre 1926

En réponse à votre lettre No. 3.167¹⁶ du 4 septembre 1926, j'ai l'honneur de vous faire connaître que le C.M.A.V. reconnaît la justesse des objections soulevées par la C.M.I.C. au sujet de la rédaction de l'Art. 3 de la loi du 10 juillet 1926, dont l'application aurait pour conséquence de donner aux Etats du Reich un délai de 12 ans pour transformer le caractère de leur police et qui, par conséquent, ne saurait être considéré comme répondant aux accords germano-alliés de Novembre 1925.

Toutefois le C.M.A.V. est d'avis qu'avant de soumettre à la Conférence des Ambassadeurs les propositions de la C.M.I.C. concernant l'abrogation pure et simple de l'article incriminé, il serait opportun que la C.M.I.C. au cours de ses pourparlers avec les Représentants du Gouvernement Allemand, leur expose les raisons pour lesquelles cet article ne peut être considéré comme répondant aux accords germano-alliés de Novembre 1925, et s'efforce de trouver avec eux un texte permettant une transformation rapide du caractère de la Police. Dans cet ordre d'idées, la C.M.I.C. pourrait proposer une modification à l'article 3 de manière [*sic*] à ce qu'il soit stipulé dans la loi: 1—qu'à partir du 10 juillet 1926, tous les policiers engagés sous le Régime de la loi [*? de*] 1922 ou des lois antérieures seront soumis à la loi nouvelle dont le but est de donner aux policiers le statut de fonctionnaires à vie.

2—mais que, par mesure exceptionnelle, un certain nombre de policiers (dont le pourcentage, d'ailleurs très faible, serait fixé d'accord avec la C.M.I.C.) seront autorisés à servir sous le régime de la loi de 1922 ou des lois antérieures.

Si toutefois, au cours des conversations avec les représentants du Gouvernement allemand, la C.M.I.C. trouvait une formule autre que celle exposée

¹⁶ Untraced in Foreign Office archives.

ci-dessus et qui permettrait d'obtenir sans délai la transformation du statut des policiers, il est bien entendu qu'elle a toute latitude pour en faire la proposition aux délégués allemands.

Le [*sic*] C.M.I.C. voudr a bien faire connaître aussitôt que possible au C.M.A.V. le résultat des conversations engagées dans le sens ci-dessus.

FOCH

No. 258

Sir A. Chamberlain to the Marquess of Crewe (Paris)

No. 2940 [C 11024/436/18]

FOREIGN OFFICE, October 18, 1926

My Lord,

I have received through semi-official sources copies of five letters addressed by the Versailles Committee to the Ambassadors' Conference relative to the following questions respecting German disarmament: (1) illegal enlistments, (2) military associations, (3) the High Command, (4) military establishments, and (5) the construction of fortifications at Königsberg.¹ I request that when these matters are discussed by the Ambassadors' Conference you will be guided by the following instructions:

(1) Illegal enlistments. You may agree to the Versailles Committee's recommendation that this question should be referred to the Drafting Committee for a report.

(2) Military associations. I observe that the Versailles Committee makes no definite proposal on this question except that the Conference should insist upon the right of the Control Commission to supervise the putting into force of the decrees that are passed. I am advised that the German Government are in fact not justified in contending in their note to the Ambassadors' Conference of the 6th September that such supervision is outside the Commission's competence.² The Commission was set up by Article 203 of the Treaty³ to control 'all the military, naval and air clauses contained in the present Treaty, for the execution of which a time-limit is prescribed'; a time-limit is prescribed by article 211 not only for the passage of the necessary legislation but for the taking of all the administrative and other measures relating to the execution of the military clauses. From this it seems clearly to follow that the Control Commission are by the treaty fully empowered to control the putting into force of the decrees relating to military associations. It is on the other hand another question whether any useful purpose would be served by making further representations to the German Government on the subject of military associations. In the first place the German Government, by agreeing to annul the decree of May 24th, 1921, have gone a long way to meet our demands. My information is that while some associations

¹ See No. 257.

² See enclosure in No. 202.

³ Of Versailles.

do undoubtedly still carry out military exercises their power is gradually waning. It might therefore be anticipated that the only effect of making further representations to the German Government on the question would be to stimulate the patriotic ardour of the very associations whose activities it is desired to discourage. You should therefore take the line, when this point is discussed by the Conference, that while His Majesty's Government would have no objection, should the other Powers so desire, to the German Government being informed of their misapprehension as to the rights of the Control Commission under the Treaty, on the other hand they cannot agree to further representations being made regarding the activities of military associations.

(3) High Command. You may agree to the recommendations of the Versailles Committee on this point.

(4) Military establishments. You may agree to the Versailles Committee's proposal that the German Government should be invited to draw up in agreement with the Control Commission a programme for the alienation of excess military establishments.

(5) Fortifications at Königsberg. The legal position in regard to this question does not seem wholly clear and I request that, when it is raised at the Conference, you will suggest that it be referred to the Drafting Committee for a report. You should at the same time state that, whatever decision is ultimately taken on this question, its execution must not in the opinion of His Majesty's Government furnish the reason for any delay in the withdrawal of the Control Commission. The duties of the Control Commission, as laid down in the instructions given them on the 4th June, 1925 and confirmed on the 26th November, 1925,⁴ are confined to ensuring the execution by the German authorities of the demands contained in the note of June 4th 1925. This was moreover notified to the German Government in the note from the Ambassadors' Conference of the 16th November, 1925, and His Majesty's Government could not agree to the Control Commission being retained in Germany to control the execution of new infractions of the Treaty, such as the construction of fortifications at Königsberg, which did not form part of the demands contained in the note of June 4th, 1925. Apart from this it has always been the view of His Majesty's Government that although the Control Commission can discuss with the German Government a new infraction of a time-limit clause which had been previously executed to its satisfaction, such an infraction cannot be urged as a reason for keeping on the Commission. As soon as its proper function of supervising the execution of the time-limit clauses has been completed, it must be withdrawn and any subsequent infraction referred to the League of Nations under Article 213.⁵

I am, &c.,

ORME SARGENT

(For the Secretary of State)

⁴ See respectively No. 59, note 2, and Volume I, No. 115, § 9.

⁵ In Paris despatch No. 2114 of November 10 Lord Crewe transmitted to the Foreign Office copy of an *aide-mémoire* communicated to the Conference of Ambassadors on November 10 embodying the substance of the preceding paragraph.

*Sir A. Chamberlain to the Marquess of Crewe (Paris)**No. 2941 [W 9819/76/28]*FOREIGN OFFICE, *October 18, 1926*

My Lord,

M. de Fleuriau, who had just returned from Paris, communicated to me to-day M. Briand's views on the proposals which I had made respecting the steps now to be taken to start the Tangier conversations.¹

M. Briand, whilst accepting generally the procedure which I had suggested, thought it would be better that the Ambassadors of France and Great Britain at Madrid should first assure themselves of the assent of the Spanish Government to a preliminary Franco-Spanish negotiation at Paris. In case of an accord between France and Spain, this negotiation should be followed by an attempt to secure agreement between these two Powers, Great Britain and Italy. M. Briand proposed that as soon as the Spanish Government should have accepted this procedure the three Ambassadors of France, Great Britain and Spain at Rome should secure the consent of the Italian Government.

Your Excellency will observe that the only change proposed is that this communication should be made first to the Spanish Government and that the Spanish Government should then be associated in the communication made to Italy. I understand that this change is proposed in order to meet Spanish susceptibilities. I propose to accept it and trust it will lead to no difficulties.

The Ambassador then reverted to the Thoiry conversation and said that he derived the impression from M. Briand and others to whom he had spoken in France that the negotiations were likely to take a very long time. As the matter was examined it was found to be extremely complicated and to raise many difficulties. The attitude which M. Briand had adopted was that Germany had something to ask of France, that it was for the German Government to offer something in return and that he would await proposals from Berlin; though meanwhile he had requested M. Berthelot, M. Fromageot and M. Massigli to study the question from the French point of view.

I myself feel that nothing is to be gained by attempting to hurry the negotiations and that indeed much more consideration is required both on the part of the Germans and of the French before they could usefully renew the conversation. It would seem, however, from the names mentioned by the Ambassador that the problems which the French Government are studying are rather the conditions on which they could make the suggested concessions to Germany than the proposals which they might accept from Germany in return. I did not think it necessary or indeed desirable to tell M. de Fleuriau that the information sent me from Berlin led me to think that Dr. Stresemann on his side was inclined to wait for proposals from France.

I am, &c.,

AUSTEN CHAMBERLAIN

¹ Cf. No. 255.

Mr. Dodd (Prague) to Sir A. Chamberlain (Received October 25)

No. 307 [C 11253/83/12]

PRAGUE, October 18, 1926

Sir,

With reference to my despatch No. 303¹ of the 13th instant, I have the honour to transmit to you herewith a translation² of the statement delivered in Parliament by the Prime Minister on the principles and programme of the new Government.

2. Dr. Svehla's review of the situation follows generally that contained in the above despatch. In so far as it refers to the entry of the two German Ministers into the Government, the criticisms of the Germans of the opposition both in Parliament and in the press find fault with the manner of the address. There are so many susceptibilities which the Prime Minister had to be careful not to wound, that his welcome to the Germans and the Minorities for whom they would speak was bound to be reserved in tone and to appear somewhat cold to them. He never once mentions the Germans and the others as though they were living men whose hands could be grasped, but alludes indirectly to them under the disguise of 'different national civilisations'. But if the spirit of celebration is perhaps wanting the style is characteristic of the speaker, and objectively regarded, his speech does justice to the solemnity of the occasion.

3. The Germans of the opposition look in vain for any pledges as a return for the support of the German Farmers' Union and Christian Socialists and interpret the failure to secure it as a betrayal of the right of the Germans to self-determination. But the spokesman of the German Government parties takes a more statesmanlike view, of which the speech of Deputy Windirsch may be taken as an authoritative expression. A translation² of this is enclosed herein.

4. The spokesman of the Czech People's Catholic Party saw in the situation

¹ Not printed. This long despatch described the background to the formation of a new Czechoslovak Government on October 12 by Dr. Antonin Svehla of the Czechoslovak Agrarian Party. Dr. Benes remained Minister for Foreign Affairs. Mr. Dodd stated in particular: 'the most remarkable characteristic of the Government is the inclusion of two of the German political leaders [Dr. R. Mayr-Harting of the German Christian Socialist Party and Dr. Franz Spina of the German Farmers' Union were Ministers of Justice and Public Works respectively]. Driven together by economic necessity the Czech and German bourgeois have at last decided to extend their co-operation formally and definitely into the political field. The policy of Masaryk [President of the Czechoslovak Republic] and Benes has at length been realised and has found its constitutional expression. . . . The Slovak People's Party are not represented in the Cabinet either. It is understood that in the absence of their leader, Father Hlinka, who is expected shortly to return from the United States, his lieutenants have not dared to commit the Party and the somewhat incongruous result is that the Germans have made their compact with the Czechs before the Slovak Nationalists have made theirs.'

² Not printed.

of the Government a reflection from Geneva and Locarno, and he welcomed the hope of consolidation in the State as putting an end to the alarms created by the threats of a dictatorship and the 'affairs' of the summer months. He did not disguise the preference of his Party for an all Czech Coalition Government but the Party bowed before an historical necessity and accepted it with a good grace.

5. The effect of the new orientation on foreign policy and opinion abroad is discussed in an article in the 'Česke Slovo', the organ of the Czechoslovak National Socialists. I have the honour to enclose a translation² of it.

6. The comments offered to the Military Attaché to His Majesty's Legation by his French and Italian colleagues were somewhat in the same sense. They saw in the increased Germanic influence here a danger of a rapprochement with Germany which would mean that the Franco-Czechoslovak alliance might be found to have become a dead letter, if Czechoslovakia were called upon to move against Germany at the bidding of France.

7. The debate upon Dr. Svehla's statement was interrupted after a few speeches and will only be continued to-morrow.

8. I am informed that two of the seats in the Cabinet at present occupied by officials are reserved by the Prime Minister for members of the Slovak People's Party and it seems probable that the debate was adjourned in order that Dr. Svehla might have time to reach an agreement with Father Hlinka on his return, which would enable his party to accept the portfolios. It is not intended to replace Dr. Engliš³ in the Cabinet by a parliamentary minister owing to his value as an expert in finance, and it is possible that the Czech National Democrats will leave Dr. Peroutka⁴ in the Cabinet in the position as it were of observer for their party, thereby enabling them in some sort to keep up appearances and not associate themselves officially in the Cabinet with the Germans, while supporting the Government with the votes of their Party or at least abstaining from voting against it. I understand that the Slovaks are pledged to vote for the Budget in any case, and 'rapporteurs' for two chapters of the Budget have been selected from the Slovak Party. The attitude of the Czech National Democrats has not yet been definitively settled; it is possible that they may abstain from voting at least on the Government statement.

9. The President of the Republic is delighted at the happy event of the inclusion of the Germans in the Cabinet and it is thought in well informed circles that in spite of a certain indecision in the Czech National Democratic and Slovak People's Parties, the present Government is likely to last some considerable time.

10. The Minister of Finance presented the Budget for 1927 to Parliament on the same day. I am reporting to you on it in a separate despatch.⁵

I have, &c.,

CHARLES DODD

² Czechoslovak Minister of Finance.

⁴ Czechoslovak Minister for Trade.

⁵ Prague despatch No. 319 of October 28 is not printed.

The Marquess of Crewe (Paris) to Sir A. Chamberlain
(Received October 22, 8.30 a.m.)

No. 381 Telegraphic: by bag [General 199/II]

PARIS, October 20, 1926

The Ambassadors' Conference met this morning under the presidency of Monsieur Jules Cambon. I was present with the Japanese Ambassador. The Belgian Ambassador as well as representatives of the Italian and United States Embassy [Embassies] also attended. The following questions were considered:— . . .¹

5. *Military Activity of German Associations.*

I furnished the Conference with a memorandum setting out the point of view of His Majesty's Government (see your despatch No. 2940² (C. 11024/436/18), Section 2. of October 18th).

Monsieur Massigli suggested that it might be better not to send a written note to the German government but to inform the German Ambassador in Paris verbally that, although the Conference was not content with the German reply of September 6,³ it would await the results of the efforts of the German government in the direction of fulfilling its engagements in this question.

It was accordingly decided, under my reserve, to inform the German Ambassador in Paris verbally (a) that the German note of September 6th on the subject of the military activity of German Associations could not be considered as giving satisfaction to the demands contained in the Conference letter of August 17th,⁴ (b) that contrary to the views expressed by the German government the Conference considered that the Military Commission had full power to control the legislative and administrative measures connected with the Associations, and that consequently the Conference trusted that the German government would resume negotiations on this subject with the Commission of Control and (c) that the attention of the German government having been recently drawn at Geneva to the whole question, the Conference awaited the results of the action taken in this regard by the German government, before considering the position officially. I shall be grateful if I may be informed whether I may withdraw my reservation.

6. *German High Command.*

It was decided to take note of the written declarations of General von Pawel[s]z in accordance with the recommendations of the Versailles Committee (see my despatch No. 1915⁵ of October 15 and your despatch No. 2940,² section 3, of October 18).⁶

¹ The omitted sections related to other matters.

² No. 258.

³ Enclosure in No. 202.

⁴ Enclosure in No. 179.

⁵ See No. 257, note 5.

⁶ In accordance with this decision a note was addressed to the German Ambassador at Paris on November 13.

7. *Illegal Enlistments.*

It was decided to submit the question to the Drafting Committee for a report in accordance with the recommendations of the Versailles Committee (see my despatch No. 1914⁷ of October 15 and your despatch No. 2940,² section 1, of October 18). It was further decided in order to avoid waste of time to authorise the Secretariat General of the Conference to inform the German Embassy of the legal difficulties raised in their letter of September 6th 1926,⁸ and to ask it to furnish the Conference as soon as possible with any legislative and administrative documents required for the examination of this question.⁹

8. *Alienation of Military Establishments.*

It was decided in accordance with the recommendations of the Versailles Committee to invite the German Government in reply to its letter of September 6th 1926¹⁰ to draw up in agreement with the Commission of Control, a complete programme for the definite alienation of excess military establishments such alienation taking place within the fixed time limits laid down in the programme and in agreement with the Commission of Control (see my despatch No. 1916¹¹ of October 15 and your despatch No. 2940,² section 4, of October 18).

9. *Presence of the members of the Reichswehr, Marine and Police in the Lufrat.*¹²

Monsieur Massigli stated that it would be better not to request the German government in an official note to forbid members of the Reichswehr, Marine and Police being members of the Lufrat on the ground that their presence was an infraction of the aeronautical agreement of May 22nd 1926. He pointed out that by that agreement it was for the League of Nations and not for the Ambassadors' Conference to draw the attention of the German government to any infraction (see my despatch No. 1715¹³ of September 10 and your despatch No. 2642¹⁴ of September 16th). It was accordingly decided, under my reserve, to draw the attention of the German Ambassador [Embassy] in Paris verbally to the fact that the presence of members of the Reichswehr, Marine and Police on the Lufrat was in contravention of the provisions of the aeronautical agreement of May 22nd, 1926, and to inform it at the same time that, should the German government continue to infringe the provisions of that agreement, the Conference would be obliged, in accordance with the terms thereof, to draw the attention of the League of Nations to the question. I shall be glad if I may be instructed as to whether I may withdraw my reservation.¹⁵ . . .¹

⁷ See No. 257, note 3.

⁸ Enclosure in No. 201.

⁹ Lord Crewe reported in Paris despatch No. 2168 that M. Jules Cambon had spoken accordingly to Herr von Hoesch on November 6.

¹⁰ Enclosure in No. 200.

¹¹ See No. 257, note 6.

¹² Cf. No. 211.

¹³ See No. 211, note 1.

¹⁴ No. 211.

¹⁵ Lord Crewe was authorized on October 29 in Foreign Office telegram No. 254 to Paris to withdraw this reservation and M. Jules Cambon spoke accordingly to Herr von

The question of the Koeni[g]sberg fortifications was withdrawn from the Order of the Day at the request of the French delegation.

Hoesch on November 6. Lord Crewe subsequently transmitted to the Foreign Office a note of November 19 from the Secretariat General of the Conference of Ambassadors recording a conversation wherein Dr. Forster had assured M. Massigli that the Luftrat 'avait un caractère purement privé' and that 'il n'y a plus, à l'heure actuelle, dans le Luftrat de membres de l'Armée ou de la police'.

No. 262

Sir R. Hodgson (Moscow) to Sir A. Chamberlain (Received November 1)

No. 769 [N 4881/387/38]

MOSCOW, October 21, 1926

Sir,

There has been noticeable in England lately—I have in mind particularly the conference of the Conservative Party at Scarborough and the recent meeting in the Albert Hall,¹—a recrudescence of the 'throw the Red bandits out' campaign. Persons whose motives are unexceptionable have on these occasions, and on many others, voiced this slogan; it has been caught up by the unreasoning thousands; and it reappears insistently in certain organs of the press. From the ethical point of view the moral that lies behind it can, of course, be defended—the Bolsheviks consistently and deliberately set at nought a whole number of principles which we consider essential in right-thinking communities: they repudiate debts and they indulge in propaganda. I am prepared to concede the justice of the ethical argument: I dispute the expediency of giving to it practical illustration, still more of vociferating about the necessity for doing so when we have no intention of putting the threat into execution and no means of demonstrating that, were we to yield to our impulses, we should thereby succeed either in reforming the Bolshevik or in creating a condition of things which would aid us in resuming relations at some future time on a more seemly footing.

2. It would be possible to have greater sympathy with the outcry were it not for certain paramount considerations. In the first place, so long ago as 1921 we signed the Trade Agreement, and in 1923 [1924] we went a step further by conferring upon the Soviet Government *de jure* recognition. Possibly we did wrong in both instances, but nothing shows that, by going back now upon what we did then, we should improve matters. Secondly, we have let it be known upon several occasions during the last six months that His Majesty's Government have in reality every intention of maintaining their relations with the Soviet Government—unless the latter do something quite intolerably offensive. Thirdly, the outbursts of enthusiasts carried away by their legitimate emotions are liable to prejudice our position in dealing with problems which, being in relations with the Soviet Government, we have to solve by

¹ See *The Times*, October 16, 1926, p. 9, for a report of this demonstration on October 15 'to protest against Soviet interference in British affairs'.

discussion with that Government. Fourthly, Russia, whatever her political complexion, is a market and we badly need markets.

3. The 'Red Bandit' battle-cry may conceivably serve a useful purpose in political warfare at home. On this question I can offer no opinion: I can, however, lay it down as a proposition that, in so far as our relations with Russia are concerned, the expressions of resentment which it epitomises are definitely detrimental to our essential interests. First of all it renders us absurd. That we should be alarmed at the activity of Soviet agitators is an admission of weakness which is hailed with delight over here. We cannot do the Third International a greater service than by according exaggerated attention to its ebullitions: we cannot play into the hands of that and similar organisations better than by inveighing against them in the Albert Hall, thereby encouraging them to believe that they have got in between the joints of our harness. Again, the Soviet Government are by now well aware that we do not contemplate a rupture, and that the prospect of our changing our mind on this question is becoming every day more remote. Consequently, the press which they—or rather the Communist Party—control, can accord to the 'Red Bandit' demonstrations precisely as much importance as suits them and give to them just the interpretation which harmonises with their needs. It happens to suit them just now, largely for purposes of internal policy, to depict Great Britain as the relentless foe of the Russian people, as the tireless influence which, while itself remaining in the background, is ever hounding on its creatures—Poland, the Baltic States, Italy, or whoever it may be at any given moment—to conspiracies which have as their object the undoing of this country, but over which the vigilance of Soviet diplomacy invariably prevails. We can of course jeer at the inventiveness of Soviet journalists and scoff at the idea of such plots existing elsewhere than in their imagination or in the archives of the Commissariat for Foreign Affairs. But Russia of to-day finds it difficult to separate a political party from a government and is prone to regard the Conservative Party of England and His Majesty's Government as being organically indistinguishable, in the same way as are the Russian Communist Party and the Soviet Government. Therefore, when vehement Conservatives preach to mass meetings an anti-Red crusade it is assumed that their vituperations have the sanction and the sympathy of the Cabinet: from that to believing that the Cabinet is really weaving the threads of aggression, that these orators are only declaiming to order, is but a step. And as has been said before, the Soviet Government, popular or unpopular, has become the government of this country and it holds the press in the hollow of its hand. The Albert Hall orators are providing it with material which directly assists it in identifying itself with the interests of Russia as a whole, for they give it the pretext it needs for standing out as the protector of Russia against the alien.

4. Yet the most pressing aspect of the question is the commercial one and here the anti-Red campaign does positive and immediate harm which it is possible to calculate in terms of pounds sterling: it creates an atmosphere of insecurity which makes the Soviet Government hesitate about placing orders

in England, causes English firms to fight shy of Russian orders, and frightens English banks from financing them. The real culprit is, I grant, the Soviet Government which no later than last May acted in a manner which seriously menaced the continuance of relations. But this is a circumstance which has been weighed and considered. That being so, and a rupture judged inopportune, it remains to make the best of the situation. I am very firmly of the opinion that we are not making the best of the situation when a raucous minority is abounding in threats which it cannot carry into effect, thereby at one and the same time stimulating those whom it is sought to intimidate and introducing to no purpose an element of perturbation into the conduct of business affairs.²

I have, &c.,
R. M. HODGSON

² This despatch was seen by the Prime Minister but was not circulated to the Cabinet.

No. 263

Memorandum by Mr. Perowne

[C 11438/192/18]

FOREIGN OFFICE, *October 21, 1926*

The exchange priority of reparation payments; the dispute between the German Government on one hand and the Agent General, the Transfer Committee, and the Reparation Commission on the other regarding the relation of Article 248 of the Treaty of Versailles and of the transfer clauses of the Dawes plan to extra reparational financial commitments of the Reich or of the German federal states.

Article 248 of the Treaty of Versailles states 'Subject to such exceptions as the Reparation Commission may approve, a first charge upon all the assets and revenues of the German Empire and its constituent States shall be the cost of reparation and all other costs arising under the present Treaty or any treaties or agreements supplementary thereto or under arrangements concluded between Germany and the Allied and Associated Powers during the Armistice or its extensions'.

2. The Commission's view¹ of its duties under that Article and under Article 251 was that it had '(i) to ensure that German resources which would be available for the payment of the costs arising under the Treaty were not alienated; (ii) to ensure that German resources were used to meet the costs arising under the Treaty and in the order of priority laid down in Art. 251; (iii) to give or withhold approval to any proposal which involved giving priority to a charge not arising under the Treaty'.

¹ *Note in original*: 'See Reparation Comⁿ's report on its work from 1920 to 1922, page 52.' This report was published in London in 1923. The present quotation from it includes the words 'in Art. 251' which were not in the published text.

3. As regards (i) and (iii), a considerable number of transactions proposed or effected by Germany were examined and various decisions given affecting priority between 1921 and 1924. Among the questions dealt with may be cited (1) the granting of an exception under Article 248 in favour of payments to the Clearing Office and (2) obtaining the previous assent of the Reparation Commission to agreements entered into by Germany to pay compensation to neutrals for war damage or to reimburse loans raised in neutral countries. In the course of correspondence on this subject, the German Government undertook to conclude no new arrangements to satisfy foreign claims not arising under the Peace Treaty and not bringing any corresponding assets to the Reich, and to effect no payments even in execution of arrangements already entered into, without having secured the previous concurrence of the Committee of Guarantees (to whom the powers of the Reparation Commission under Articles 241 and 248 of the Treaty had in general been delegated since May 1921 by Article 7 of the schedule of payments).² In taking note of this assurance the Committee of Guarantees declared that it understood it to mean that the German Government would in future obtain the consent of the Committee of Guarantees before entering into any agreement with any foreign government or institution which involved the alienation, total or partial (including any transaction by way of mortgage or charge), of any asset of the German Government, or making any payment of like nature in virtue of existing agreements.

4. The economic and financial collapse of Germany which took place over the years 1920–23 resulted in a complete default in reparation payments, but no attempt was made to apply the strict letter of Article 248 to the situation, which was materially altered by the adoption by the interested governments of the Dawes Plan and its application in the London agreements of August, 1924.

5. The plan laid down that an inclusive annual payment should be made by Germany in settlement of her reparation and other treaty obligations. Treaty charges were to be paid from three sources, (a) budget, (b) railways, and (c) industrial debentures. Over and above the guarantees provided by the railway and industrial bonds, the revenues from alcohol, tobacco, beer, sugar and customs were pledged as collateral security for the budget contributions and other payments.³ Germany now discharges her reparation obligation by the payment into the Bank of Issue (provided by the Plan) to the credit of the Agent General of all sums for reparation account. The use and withdrawal of the moneys so deposited is controlled by the Transfer Committee under the presidency of the Agent General. This Committee also controls the transfer of cash to the allies, and the German Government

² Printed in *Reparation Commission: Official Documents relative to the amount of payments to be effected by Germany under Reparations Account*, pp. 4–9; the draft text of article 7 printed in First Series, Volume XV, No. 83, appendix 2, was substantially the same as that in the final text.

³ *Note in original*: 'It would appear that the specific provision of guarantees in the Dawes Plan is taken by the Germans to render the 1st. charge clause of Art. 248 obsolete. (vide infra).'

and the Bank of Issue are pledged (see Section 7 of Annex 6 to the experts' report) to facilitate 'in every reasonable way within their power the work of the Committee in making transfers of funds including such steps as will aid in the control of foreign exchange'.⁴ Finally in the event of concerted financial manoeuvres by the government or by any group for the purpose of preventing transfers the Committee may take such action as may be necessary to defeat such manoeuvres.

6. The Dawes Plan came into force on September 1st, 1924, and shortly afterwards the Reparation Commission took a decision dissolving the Committee of Guarantees. That body in November 1924 presented a report in which it was stated that three questions were still outstanding in connection with the application of Article 248 which might call for further action. In connection with one of these questions—the transfer of certain Prussian and Saxon state undertakings to joint stock companies—the Reparation Commission on December 9th, 1924 thought fit to remind the German Government of 'the powers it derives from Article 248' and of the 'right of supervision conferred on it by Article 240'. Opportunity was also taken on January 15th 1925 to inform the German Government of the attitude of the Reparation Commission in regard to Article 248 in the following terms:—

7. While the adoption of the Experts' report does not affect the rights of the Reparation Commission under Article 248, the Commission does not intend to exercise its rights under the Article concerning the employment of any of the properties or revenues of the Reich other than those which the Experts' Report specially designates as security for the annuities in so far as the assigned receipts are sufficient to ensure the payments provided for in the said report. It has moreover no intention of intervening in payments or in questions requiring payments to be made outside Germany except in so far as it may be necessary to protect German Exchange.

In order that the Reparation Commission might adopt this policy and adhere to it the Government of the Reich must keep the Commission completely and regularly informed

(a) of all budgetary measures of the Reich and states

(b) of all special extra-budgetary commitments (particularly those involving the alienation of capital assets)

(c) of all payments to be made outside Germany (except ordinary salaries and expenses involved by missions abroad). The above information to be sent in early enough for the Reparation Commission to be able to consult the Transfer Committee as to whether the proposed payments are calculated to hamper its operations.

8. To these communications the German Government replied on May 22nd 1925 that in the German view the adoption of the Experts' plan had legally affected the rights of the parties under Article 248. Without prejudice, however, to its legal rights the German Government was prepared to co-operate with the Reparation Commission in the spirit which animated the

⁴ See Cmd. 2105 of 1924, *Reports of the Expert Committees appointed by the Reparation Commission*, p. 112.

London Conference in trying to work out a practical *modus vivendi* which would lead to the desired result. To this end the K[riegs] L[asten] K[ommission] would keep the Reparation Commission informed of all publications by the Reich on the budget and financial questions and would receive in a co-operative spirit any requests for further information which the Reparation Commission might make in the same spirit.

9. The Reparation Commission declared on May 30th that without prejudice to the views it had already expressed as to the legal status of the parties it was ready to co-operate with the German Government in working out the *modus vivendi* referred to.

10. Further correspondence was exchanged during the summer of 1925 on the subject of the failure of the German Government to comply with this *modus vivendi* in that the Reparation Commission and the Transfer Committee had virtually been presented with a *fait accompli* in connection with certain payments made to Norway in respect of herrings and oil. The Reparation Commission, however, finally decided to regularise this particular operation by granting the exception provided for in Article 248 but in informing the German Government of this decision added a request that a month's notice should be given in future of all payments which the German Government proposed to make abroad.

11. Shortly afterwards the Transfer Committee informed the German Government that, in view of the repercussion which impending foreign payments by the Government of the Reich or another federal state might have on the exchanges and in view of the obligations in respect to the transfer of reparation payments which the German government had assumed in virtue of the experts' plan and the London agreement, it had decided to request the German government to advise it directly whenever they intended to make payments abroad in foreign currencies and further that advice of all such payments should be given sufficiently in advance to enable the Committee to consider what bearing they might have upon reparation transfers. The Transfer Committee would then be in a position to indicate to the German government its attitude with respect to such payments in view of the requirements of the experts' plan and the London agreement.

12. On October 31st, 1925, the German government gave an assurance that in the future particulars of impending foreign payments would be communicated simultaneously to the Reparation Commission and the Transfer Committee.

13. It may here be mentioned that among the transactions dealt with by the Transfer Committee in this connection was one in which His Majesty's Government were specially interested, namely the payment by the German government of the arrears due to certain native porters in respect of their services in the late East African campaign.

14. One of the signs of the restoration of German credit which followed the entry into force of the Dawes Plan, was the number and variety of loans which it now proved possible to raise on foreign, principally American, markets for the benefit of German states and institutions (for full details see

memorandum in C 10880⁵). A certain nervousness was manifested in the United States, however, in the spring of 1926 as to whether the payment to the American investor of the services of these loans could be impeded by the Transfer Committee in the interests of the maintenance of the stability of the mark and of the transfer to the allied governments of sums due on reparation account. This question of priority was not taken up officially, however, and the scare was thought to have some connection with the initiation of a campaign for the revision of the reparation settlement of 1924 by discrediting the experts' plan in the eyes of the American investing public.

15. Though the loans raised by German institutions etc. on foreign markets were quite numerous, no notification of such flotation had in any instance been made by the German government to the Transfer Committee or the Reparation Commission until September 6th, when both these bodies were notified by the German government of the prospective flotation in New York of a loan of 20 million dollars by the State of Prussia. Certain statements which the prospectus of the loan contained and the manner in which the notification of its flotation had been made by the German government formed the occasion of a letter addressed to the German government by the Transfer Committee on September 20th, 1926. The letter criticised the statements of the prospectus that the loan was a direct and unconditional obligation of the Prussian government and that no Prussian revenue was pledged for any prior loan, and that neither German law nor any international engagements assumed by the German government involved any restriction upon the acquisition by the Prussian government of the foreign currencies necessary for the services of the loan. The Transfer Committee drew a connection between Article 248 of the Treaty and the transfer of reparation payments in foreign currencies and stated that in the absence of an application for exceptional treatment under Article 248 it was assumed that the German government recognized that the Prussian loan must be regarded as ranking secondary to the payment of reparations under the Treaty of Versailles and the experts' plan.

16. In the opinion of Lord Blanesburgh, the British delegate to the Reparation Commission, the Transfer Committee in their above-mentioned letter had gone further than was warranted either by the Treaty or by the Dawes Plan. The Reparation Commission therefore took the opportunity by letter to restate the case to the German government in more moderate terms with a view to preventing a German appeal to arbitration.

17. In drawing up the letter the Reparation Commission bore in mind (1) the necessity of intimating the irregularity of their proceedings to the German government and the serious view thereof taken by the Reparation Commission, (2) the juridical position already taken up by the Reparation Commission as to Article 248 in relation to the Dawes Plan, and (3) the desirability of not

⁵ Not printed. In this memorandum of October 6, Mr. Perowne had stated, in particular, that between January 1925 and July 1926 loans raised on foreign markets by German Federal States and public enterprises were respectively 208 and 654 million Reichsmarks. The United States market had taken about 70 per cent. of these issues.

conveying any impression to the German government that the Reparation Commission was not fully in accord with the views expressed by the Transfer Committee in their letter of September 20th.

18. The Reparation Commission on Oct. 2 informed the German Govt. that they had been confronted in the case of the Prussian loan with a *fait accompli*. The statements in the prospectus regarding Germany's reparation obligations and the connection between Article 248 and the experts' plan were totally at variance with the attitude already defined by the Reparation Commission. The Commission therefore in reserving all its rights under Article 248 drew the attention of the German government to the situation which would arise from any attempt to pay the services of a foreign loan out of the assets or revenues of a German state, in priority to the payment of reparation under the Treaty of Versailles.⁶

19. The Treasury believe that owing to the temperate attitude taken up by the Reparation Commission in the letter summarised in the preceding paragraph, the difficulty occasioned by the somewhat rash statements of the Agent General and the Transfer Committee may be settled without any necessity for the interpretation of awkward questions of principle in regard to Article 248.

J. V. PEROWNE

⁶ Dr. Ruppel of the Kriegslastenkommission replied to this note on November 29, in a note in which he informed the Reparation Commission that the German Government had 'taken notice of the special reserve based on that article [248] with reference to loans by German States. The other parties interested in that question have been accordingly advised by the German Government'. While referring to 'the spirit of collaboration' in connexion with the experts' plan, Dr. Ruppel's note concluded by maintaining the 'fundamental different opinion' of the German Government in regard to article 248 of the Treaty of Versailles. For this opinion see paragraph 8 above.

No. 264

Sir A. Chamberlain to Mr. Addison (Berlin)

No. 122 Telegraphic [C 11169/7660/18]

FOREIGN OFFICE, *October 23, 1926, 2.30 p.m.*

My No. 121¹ (of the 21st October. Export of German coal).

Confidential

If you meet with any difficulty please tell Dr. Stresemann that His Majesty's Government attach particular importance to this request. We have been of some use to German government in other matters and I think that he will wish to take this opportunity of showing that our friendly action has been

¹ Not printed. This telegram approved a proposal, which Mr. Addison had made in Berlin telegram No. 285 of October 19 in the light of the coal crisis in Great Britain, that he should 'impress Secretary of State with the desirability that German authorities should not choose present moment to restrict coal export to Great Britain except in case of urgent necessity'.

appreciated. Use this argument only if necessary to secure success of your representations.²

² Mr. Addison replied on October 26 in Berlin telegram No. 294 explaining that the German authorities were alarmed by the threat of a coal strike but that he was 'impressed by obvious desire of the German authorities to assist us. Acting Secretary of State told me and has instructed others that His Majesty's Government have been of such great assistance to Germany that no effort must be spared to meet our desires.'

No. 265

The Marquess of Crewe (Paris) to Sir A. Chamberlain (Received October 25)
No. 1976 [C 11240/436/18]

Confidential

Paris, October 23, 1926

Sir,

I have the honour to inform you that in the course of the discussion on disarmament questions at the meeting of the Ambassadors' Conference on the 20th October, the Belgian Ambassador referred to the existence of a text book on the 'Reichswehr' published in Germany and used by German Associations. It appears that the text book in question contains a summary of the war and emphasizes the necessity for the recovery of the lost Provinces and German Colonies.

2. Monsieur Massigli explained to the Conference that such a text book did exist and had been used by the Associations. He added that the French Government had made representations to the German Government on the subject and that the latter had promised to withdraw the text book from circulation and to prevent any further copies being printed. He informed the Conference that the Germans had asked that the question might be treated very confidentially, in order that publicity might not be given to the matter in the Press. No mention of the subject will, therefore, appear in the minutes of the meeting of the Conference.

I have, &c.,
CREWE

No. 266

Record by Mr. Gregory of a conversation with the Soviet Chargé d'Affaires
[N 4818/387/38]

FOREIGN OFFICE, *October 24, 1926*

M. Krassin paid me a long visit on Wednesday last,¹ and, though there is nothing particularly new to record, I think, on reflexion, that it may be useful to put down the impressions that remained of the conversation.

¹ October 20, 1926. For M. Krassin's report on this conversation see *Dokumenty Vneshney Politiki S.S.S.R.*, vol. ix, No. 311.

After an exchange of various personal views—we had not met since the crisis of May–June, 1923,²—he began by telling me of his interview with the Governor of the Bank of England.³ He had been, he said, received most amicably by Mr. Montagu Norman, who had enlarged on the difficulties of the European situation and had been emphatic in stating that the economic recovery of Europe could not be complete if Russia were left out. The hopes thus raised in M. Krassin's breast by a preliminary statement of this kind, were, however, promptly dashed, when it came to the question of immediate credits for Russia, by Mr. Norman leading him to understand that the City was indisposed to consider anything of the kind until the Soviet recognised former Russian obligations. The conversation had then turned on this question and would appear to have ended, as it was bound to do, on a purely indeterminate note, though M. Krassin had left with the feeling that it might eventually be possible to bridge difficulties.

This led us into a long discussion of the old questions of debts and British properties in Russia which we had debated on so many different occasions in the last five years. It is quite clear that the Soviet point of view is exactly what it was in 1921: it has not budged an inch. M. Krassin still contended that the cleavage between Communist and 'Capitalist' principles still made it—and will always make it—impossible for the Soviet Government to agree to a recognition of obligations. The peasantry, who, he pretended, were the real dictators of Russian 'public opinion', would never permit the Government to pay out Russian money for the service of Czarist loans. The way out must be on practical lines, and must take the form of a conversion of those loans by a new issue. By this means the peasants could be successfully hoodwinked. But, even so, they must first be brought to a conciliatory frame of mind by credits from here enabling them to obtain the agricultural machinery of which they stand in such need, and M. Krassin proceeded thereupon to illustrate his argument by innumerable statistics—the main practical thesis being that without a three years' credit it was impossible for the peasants to obtain the minimum of manufactured articles required. Russian native production was beginning, but was making headway too slowly, and, though the economic situation was much better than it was three years ago, the recovery must be progressively retarded without foreign assistance.

This brought us to the question of 'concessions', and so quickly to the contentious problem of the former British properties in Russia. I reminded M. Krassin that, while the French were perhaps more interested than we were in the debts, it was the treatment of our people in the matter of their properties that still remained one of the root causes of the distrust and lack of confidence towards Soviet Russia felt in British financial and economic

² Cf. the correspondence of those months between the then Secretary of State for Foreign Affairs, Lord Curzon, and M. Krassin, printed in Cmd. 1874 and Cmd. 1890 of 1923: *The Reply of the Soviet Government to His Majesty's Government respecting the Relations between the two Governments and Further Correspondence between His Majesty's Government and the Soviet Government respecting the Relations between the two Governments*.

³ On October 15: cf. *Dokumenty Vneshney Politiki S.S.S.R.*, vol. ix, No. 307.

circles, and I asked him whether the Russian point of view had changed at all in this matter. M. Krassin said that he always regretted the failure of his negotiations with Mr. Leslie Urquhart,⁴ because he had believed that, if once a satisfactory agreement could have been reached on this largest of all the ex-British properties, similar agreements might have been made with other ex-property holders on corresponding lines. Even now he thought it was not too late to proceed on the concession basis. But he had no concrete suggestions to make: and so, after considerable discussion of detail and going over a lot of old ground, I was left with the positive conclusion that on neither of the two main questions which kept us so busy at Genoa and The Hague in 1922 and in London in 1924, viz, debts and properties, is there any advance in the Soviet attitude and accordingly no more prospect of being able to settle now than there was then.

Our conversation having been of a digressive and discursive order and also of a technical nature, I thought it wiser at this point to bring it on to the broader ground of general considerations, and, though it would have been inappropriate to be actively controversial (as M. Krassin had intimated to me at the start that he hoped I would consider his visit personal and unofficial), I nevertheless thought it my duty to remind him of what the Secretary of State had said to him on the fundamental issues and to beg him to bear strictly in mind the prevailing attitude of British public opinion towards Moscow. To this he said that he realised that any talk of renewed negotiations with us was premature, and he added that he had derived the same impressions as regards negotiations with the French while in Paris on his way here.

He ended by saying that he trusted that, as he and I had worked so much together in the past, we might still remain in contact, to which I replied that I should of course be always at his disposal, both for unofficial conversations on general subjects and for the transaction of ordinary matters of routine.

My conclusion is that M. Krassin has come with no fresh instructions and that, even if political issues did not preclude it, there would be no possible basis on which we could resume negotiations for a financial and economic settlement of our outstanding differences. M. Krassin is, however, clearly not devoid of optimism in regard to his purpose of obtaining a long-term credit, and is no doubt being encouraged by some of the somewhat dubious City groups— . . .⁵—who have dallied with a loan to Russia ever since the days of the Trade Agreement. Although it is always assumed that his long connection with Siemens-Schuchert [Schuckert] has made him into a sort of German, my

⁴ On September 9, 1922, an agreement had been signed in Berlin by Mr. Urquhart, chairman of Russo-Asiatic Consolidated, Ltd., and M. Krassin, then Soviet Ambassador at Berlin. By this agreement, which did not receive Soviet ratification, the company would have obtained a general ninety-nine years' lease of its entire property in the Soviet Union (valued at £56 million) which had been nationalized and the value of losses sustained by the company since 1917 (a sum of approximately £2 million).

⁵ Two names are here omitted.

own conviction is that he has always remained a thorough Russian at heart and a fanatical communist by conviction.⁶

J. D. G.

⁶ Sir A. Chamberlain minuted as follows on this record: 'Mr. Gregory said the right things. My own belief is

'1. that the Soviet Govt. have no intention of initiating negotiations through M. Krassin & would have chosen a different agent if political affairs were to be treated

'2. thought it worth while to try M. Krassin's skill as a fisherman in the City.

'A. C./25.10'

No. 267

Memorandum by Mr. Troutbeck respecting Railway troops and a Railway Commission in the Saar

[C 11436/1616/18]

FOREIGN OFFICE, October 25, 1926

It will be recollected that before the meeting of the League last September the Secretary of State made a serious effort to reach agreement with M. Briand on three questions in which the British and French Governments had long been unable to see eye to eye, viz. the scope of League investigations, the number of troops in the Rhineland, and the question of railway troops in the Saar. The position of the latter question then was that in the preceding June the Council had had before it a majority and two minority reports from the Saar Governing Commission, the former asking for a minimum of two battalions to be stationed permanently in the Saar to safeguard communications, and both the latter contending that all troops ought to be stationed outside the territory. The majority opinion was supported by the French and the minority by the British delegates. The Council decided to postpone discussion of the question till September.

This was accordingly one of the questions that the Secretary of State raised in his letter to M. Briand of July 29th.¹ The arguments on which the British case stood were already well known to the French and were not repeated, but Monsieur Briand was begged to give the matter his earnest attention 'so that we may not find ourselves divided on this vital question in the presence of the Germans'.

M. Briand in his reply of August 30th² still held out for a mixed force of railway troops and, to convince us of the soundness of his case under the treaty,³ suggested that M. Fromageot should come to London and discuss it with Sir C. Hurst.

The suggestion was at once accepted, with the result that Monsieur Fromageot and Sir C. Hurst agreed upon a scheme to the following effect:—

The Saar Governing Commission, as being responsible for the safety of communications throughout the territory, should have under its orders a

¹ Enclosure in No. 112.

² It was correctly suggested on the original that this date should read '6th': see No. 135.

³ Of Versailles.

railway commission, which should be in close touch with the Rhineland High Commission and have at its disposal a body of military police. The size of this police force should be determined by the Governing Commission under the control of the League Council, and its members should carry some special badge to emphasize the fact that they were a Saar force and not a French (or Allied) force. If its expenses could not be met from the budget of the Saar Territory, the Governing Commission might approach the Council with a view to obtaining the loan of the necessary officers and men free of charge.

Before Monsieur Fromageot left this country the Secretary of State informed him⁴ that he was prepared to recommend this scheme to H.M. Government, but only on condition that the French Government signified in advance the maximum at which this police force was to be established, and that it should not later on be exceeded except with the approval of the League Council. The Secretary of State made it clear to M. Fromageot that this number must be moderate and that he could not recommend to H.M. Government a scheme under which 2,000 troops were to remain in the territory; the figure should on no account exceed 500.

There has never been any indication from the French Government since that date that they are prepared to accept our conditions or even the scheme itself.

At Geneva the question was simply postponed till December. The Secretary of State informed Dr. Stresemann of the position and suggested that Sir C. Hurst should explain it to Herr Gaus. No information has however reached us as to what the Germans think of the scheme. We do know however, that it is quite acceptable to M. Vandervelde (who, it should be added, has been favourable to our point of view throughout).

The general question of the Saar (though not, it seems, this aspect of it in particular) was raised between Messieurs Briand and Stresemann at Thoiry, but with no further result than a vague agreement that it should form part of a general solution of outstanding problems.

J. M. TROUTBECK

⁴ On August 14.

No. 268

Mr. Addison (Berlin) to Sir A. Chamberlain (Received October 28, 10.10 p.m.)

No. 296 Telegraphic [C 11443/436/18]

BERLIN, October 28, 1926, 8.56 p.m.

German representatives yesterday informed Inter-Allied Military Commission that state police laws would be drafted in accordance with wishes of the allies, but that the states could not proceed with drafting of these laws until the question of augmentation of police effectives shall have been settled, meaning thereby until increase of 7,500 shall have been granted.

Long outstanding question[s] of high command, luftamt and training of staff

officers have now been settled and General Wauchope considers present time opportune for a reconsideration of the police question by Ambassadors Conference resulting in acceptance of point of view urged by this government last June.

On General Wauchope's suggestion, President of Inter-Allied Military Commission has written to Versailles Committee stating that Commission of Control see no danger in granting the increase which would not appreciably add to armed strength of Germany. General Wauchope considers the matter now urgent as until it is settled no progress can be made with other police questions and general settlement of police questions would go far to expediting a general wind up of unemployment.¹

¹ According to the docket of a letter of October 25 (not preserved in Foreign Office archives) from Colonel McGrath of the War Office to Mr. Sargent both General Walch and General Wauchope considered that military control should terminate by the end of 1926.

No. 269

Sir A. Chamberlain to the Marquess of Crewe (Paris)

No. 3035 [C 11187/436/18]

FOREIGN OFFICE, *October 28, 1926*

My Lord Marquess,

I have carefully considered Section 5 of your telegram No. 381¹ of the 20th October, but I regret that I do not see my way to authorise you to withdraw your reservation to the decision of the Ambassadors' Conference that verbal representations should be made to the German Ambassador on the subject of military associations in Germany.

2. Your Lordship will recollect that in my despatch No. 2940² of the 18th October I informed you that, while not objecting to the German Government's attention being drawn to their misapprehension as to the powers of the Control Commission under the Treaty,³ I could not agree to further representations being made to them regarding the activities of military associations, my view being that any such representations would be likely to have no other effect than to fan the dying fire of Nationalist activity in Germany.

3. These objections apply no less to verbal than to written representations and I accordingly request that you will explain the point of view of His Majesty's Government once again to the Ambassadors' Conference and urge them to accept our original proposal i.e. that no further representations should be made to the German Government as regards the activities of the military associations but that, if the other powers insist, His Majesty's Government would agree that the German Government should be warned, as a matter of principle, that the Ambassadors' Conference cannot accept the contention that the Commission of Control has not the right to supervise

¹ No. 261.

² No. 258.

³ Of Versailles.

the putting into force of decrees passed in execution of the military clauses of the Treaty.

4. You should, if necessary, explain my point of view beforehand personally to Monsieur Briand and beg him to give the French representative on the Ambassadors' Conference the necessary instructions not to press this matter. Incidentally I have reason to believe that the French military authorities no longer attach importance to this question, and that the present difficulties are derived from the Quai d'Orsay. In speaking to M. Briand you could add that I shall be shortly addressing him, through you, on the whole question of military control in Germany, which I am convinced has now reached a stage when it must be treated, not piecemeal but as a whole. For this reason it is particularly undesirable that the ex-allied governments should at this moment allow themselves to be dragged into a controversy with the German Government on any particular point. It would only confuse the issue and make it more difficult to formulate a general settlement by concentrating on the few really essential questions. I am convinced from what Monsieur Briand told me of his conversation with Dr. Stresemann at Thoiry that he will be the first to appreciate the advantage of considering the outstanding points of disarmament as a single question rather than as individual and separate problems.⁴

I am, &c.,
(For the Secretary of State)
ORME SARGENT

⁴ Lord Crewe reported on October 29 in his despatch No. 2023 that he had that day carried out his instructions. He added that he had made the personal suggestion to M. Briand that the question of military control should be cleared up by a conversation of experts in Paris. M. Briand had said that he would think this over.

No. 270

The Marquess of Crewe (Paris) to Sir A. Chamberlain (Received November 1)
No. 2034 [C 11473/436/18]

Urgent

PARIS, October 31, 1926

Sir,

I have the honour, with reference to my despatch No. 2023¹ of October 29th, to transmit to you, herewith, the text of a draft resolution proposed by the Secretariat General of the Ambassadors' Conference with a view to meeting the views of His Majesty's Government as set forth in your despatch No. 3035² (C 11187/436/18) of October 28th on the subject of the activities of military associations in Germany.

2. It appears that the proposed resolution by the suppression of part I of the previous resolution goes a long way to meet the wishes of His Majesty's

¹ See No. 269, note 4.

² No. 269.

Government, and whilst giving satisfaction to the French, would not be likely to tie the hands of the Ambassadors' Conference, should it be decided in the near future to treat all the outstanding military control problems in Germany as a whole.

3. I shall be grateful if I may be informed at your earliest convenience whether you feel disposed to accept the new resolution as drafted in its present form.³

I have, &c.,
(for H.M. Ambassador)
ADRIAN HOLMAN

ENCLOSURE IN No. 270

Draft Resolution

Il est décidé:—

(a) de ne pas répondre actuellement à l'ensemble de la lettre de l'Ambassade d'Allemagne en date du 6 septembre relative aux associations.⁴

(b) de charger Monsieur Cambon de déclarer verbalement à Monsieur von Hoesch:—

(1) que, contrairement à la thèse développée par le Gouvernement allemand, la Conférence des Ambassadeurs estime que la Commission Militaire a tous pouvoirs pour contrôler l'application des mesures législatives ou administratives concernant les associations⁵ et la Conférence des Ambassadeurs compte qu'en conséquence le Gouvern[e]ment Allemand reprendra les négociations à ce sujet avec la Commission de Contrôle.

(2) que l'attention du Gouvernement Allemand ayant été récemment attirée officiellement à Genève sur l'ensemble de la question,⁶ la Conférence ne veut pas prendre position avant de connaître les résultats de l'action entreprise par le Gouvern[e]ment Allemand.⁷

³ Sir A. Chamberlain replied on November 3 in his despatch No. 3091 to Paris that while the amended draft resolution was 'clearly less open to objection than its predecessor yet even so I do not feel prepared to agree to it seeing that it invites the German Government to continue with the Control Commission the discussion of a question which in the considered opinion of His Majesty's Government should be dropped'.

⁴ Enclosure in No. 202.

⁵ Lord Crewe reported in Paris telegram No. 392 of November 6 that agreement had been reached on a British proposal that this paragraph should end: 'concernant les associations avec la collaboration des autorités allemandes'.

⁶ Foreign Office telegram No. 259 to Paris of November 6 stated that the Foreign Office were unaware of any such official representations and proposed substituting 'officieusement' for 'officiellement'. This telegram further proposed that the succeeding phrase should read la Conférence 'désirerait connaître en temps utile' les résultats, &c. Paris telegram No. 392 reported agreement on these amendments also.

⁷ M. Cambon spoke to Herr von Hoesch on November 6 on the lines of the finally amended text.

No. 271

Sir A. Chamberlain to Mr. Holman (Paris)

No. 255 Telegraphic: by bag [C 11453/436/18]

FOREIGN OFFICE, *November 1, 1926, 7 p.m.*

Your despatch No. 2029¹ (of the 29th October. Alienation of German military establishments).

Paragraph 3 of the draft submitted by the Secretariat General seems provocative and unnecessary. It might well be omitted and, if necessary, replaced by a phrase to the following effect:—

‘La Conférence espère que le Gouvernement allemand reconnaîtra la nécessité d’un tel accord pour que le règlement de cette question, trop longtemps retardé, puisse enfin s’effectuer d’une manière satisfaisante’.

Please suggest this amendment to the conference and make every effort to obtain its adoption, but not to the extent of producing a deadlock.²

¹ Not printed. With reference to No. 261 this despatch transmitted a draft note prepared by the Secretariat General of the Conference of Ambassadors for communication to the German Ambassador. This draft was the same as the final text in No. 276 except that the third paragraph of the draft read as follows: ‘La Conférence des Ambassadeurs après un examen attentif des arguments ainsi développés, et après avoir pris l’avis de la Commission de contrôle, ne peut pas considérer que les assurances contenues dans la lettre précitée [see enclosure in No. 200] suffisent à régler la question d’une manière satisfaisante. Sans méconnaître les difficultés que rencontrerait l’aliénation immédiate de la totalité des anciens établissements dont il s’agit, elle doit constater que la lettre précitée de M. Rieth ne donne aucune raison valable pour expliquer le regard [*sic* ? retard] apporté à l’aliénation définitive des établissements en excédent; d’autre part, il est incontestable que le maintien en la possession du Gouvernement allemand des Etablissements dont il s’agit est directement en contradiction avec les dispositions de l’article 178 du Traité de Versailles.’

² After some further interchanges agreement was reached on the compromise text in No. 276.

No. 272

Sir A. Chamberlain to Sir R. Lindsay (Berlin)

No. 1405 [C 11552/681/18]

FOREIGN OFFICE, *November 2, 1926*

Sir,

I have to inform Your Excellency that the German Ambassador called on Sir William Tyrrell on the 29th October and said that the German Government were rather perturbed by reports which had reached them that the French Government had approached His Majesty’s Government with proposals with regard to the military control of Germany which was to be set up under the supervision of the League after the abolition of the present Commission of Military Control set up under the Treaty of Versailles.

2. His Excellency said that there were two features of this project which would cause grave concern to his government: one was the proposed

appointment of a controlling body on which the neighbouring states were to be represented, thus providing for placing Germany in a minority, and the other was the establishment of sanctions in the event of German default which could be imposed upon Germany by a majority vote of the new Commission of Control.

3. Sir William Tyrrell at once told Monsieur Sthamer that this was complete news to him; that no such proposals had been made to His Majesty's Government, that he would be very much surprised if they were made, and that, if these rumours had reached Monsieur Sthamer and the German Government through the press, he (Sir William) could but deplore this fresh evidence of the mischievous influence of the press by the publication of such tendencious [*sic*] reports. The Ambassador appeared much relieved by Sir William's assurances.

I am, &c.,
(For the Secretary of State)
ORME SARGENT

No. 273

*Memorandum by Viscount Cecil*¹

[W 10527/78/98]

November 3, 1926

When the Treaty of Versailles was first submitted to Germany she asked whether the reduction of her armed forces was to be a 'beginning of a general reduction of armaments.' She was answered by the Allies that it was one of the first steps 'towards the general reduction and limitation of armaments which they seek to bring about as one of the most fruitful preventives of war, and which it will be one of the first duties of the League of Nations to promote.'² Accordingly, in Article 8 of the Treaty, which is also Article 8 of the Covenant, it is provided that 'the members of the League . . .³ shall formulate plans for the reduction of national armaments to the lowest point consistent with national safety and the enforcement of international obligations.' And the preamble to Part V of the Treaty begins: 'In order to render possible the initiation of a general limitation of the armaments of all nations' Germany accepts the disarmament clauses of the Treaty.

At every meeting of the Assembly of the League of Nations declarations have been made by delegates of different parts of the British Empire accepting the obligation for the reduction and limitation of armaments, and resolutions in the same sense have been passed to which the various delegations have been

¹ This memorandum was prepared for the Imperial Conference.

² The references were to the German Observations of May 29, 1919, on the draft treaty of peace and the Allied reply of June 16, 1919; see respectively *Papers relating to the Foreign Relations of the United States: The Paris Peace Conference 1919*, vol. vi, p. 820, and *British and Foreign State Papers*, vol. 112, p. 274. (Lord Cecil's citation of the German note is not exact.)

³ Punctuation as in original quotation.

parties. By the final act of the Conference of Locarno the representatives of the Signatory Governments declared that the treaties and conventions they had just made would 'hasten on effectively the disarmament provided for in Article 8 of the Covenant of the League of Nations' and they undertook 'to give their sincere co-operation to the work relating to disarmament already undertaken by the League of Nations and to seek the realisation thereto in a general agreement.' Beyond these international obligations and declarations there have been numerous statements by Ministers and other persons of authority in the various nations of the British Commonwealth to the same effect. It is submitted, therefore, that the case for disarmament on authority, if it may be put in that way, is overwhelming.

The case on merits is no less strong. I will not labour the general proposition that a competition in armaments leads to war, and that unless you can get an agreement to limit them, such a competition must inevitably spring up. A concise statement of the argument on this point will be found on pp. 89-90 of Viscount Grey's 'Twenty-five Years,'⁴ and the conclusions which he there arrives at have been accepted by almost every man of eminence in public life in this country and elsewhere.

The economic argument is equally convincing. In his 'Collection of Essays on Current Problems in Finance and Government'⁵ Sir Josiah Stamp deals with the economic facts of disarmament. He gives reasons for thinking that the economic burden of expenditure on armaments is greater even than the expenditure itself, and declares that if it were possible to cancel the expenditure on armaments it would be 'for the great mass of the peoples of the nations the difference between grinding penury and a reasonable standard of comfort.' It is, of course, impossible in any foreseeable future to cancel the whole of the expenditure on armaments, but if we could halve it even, the economic relief would be enormous.

The psychological reasons for a policy tending to disarmament are not less cogent. The great number of individuals who, under the Continental system, are passed through the Army or the Navy, the diversion of some of the ablest scientific talent to the discovery of new and more deadly weapons of war, the glorification of war in popular literature and histories necessary for the maintenance of great armies, are instances of the psychological evils resulting from large armaments. It may not be fantastic to suggest that one of the reasons for the great prosperity of the United States is that they are largely free from this distracting cause.

Finally, there is the great political reason that the maintenance of large armaments on each side of a frontier does perhaps more than anything to keep alive international hatred and suspicion.

These are reasons of a general character which apply more or less to all nations of the world. There are others specially affecting the British Empire. Our foreign policy is mainly inspired by a desire for peace and, as far as we

⁴ London, 1925. Lord Grey had been Secretary of State for Foreign Affairs, 1905-16.

⁵ London, 1924. Sir J. Stamp had been British representative on the Dawes Committee.

are concerned, the maintenance of the territorial *status quo*. In the present state of popular feeling peace is the governing consideration. Short of an act of actual aggression by a foreign Power, it is doubtful if the peoples of the British Empire would consent to go to war for any national object. Some people even question whether they would be prepared to do so in fulfilment of their obligations under the Covenant of the League of Nations for the maintenance of peace. However that may be, it is practically certain that the British peoples would not fight at present for anything except defence and the fulfilment of our international obligations. But we have many international interests, more perhaps than those of any country in the world. Some of them more directly affect Great Britain herself; but there are others of vital interest to the whole Empire, such as the conservation of our position in Egypt and the prevention of Tangier passing into the hands of a strong military Power. It is obvious that, unless we are prepared to go to war about such questions as these, it is of the utmost importance for us that they should be kept in the region of diplomacy, including in that term negotiation, mediation, arbitration, &c. As long as that can be done our interests should not suffer. We only desire to keep things as they are, and that is a position which should not be difficult to maintain in peaceful discussion. If, on the other hand, they should drift into a more threatening atmosphere, we should be in great difficulties. The position in China is an illustration of what is meant. There we are perpetually urging on some one or other of the factions in China our point of view, and when they disregard it, since we are not prepared to fight about it, we have no alternative but to submit. That would equally be the case with regard to almost any international question if it got into a condition where we should either have to fight or submit. Therefore, our business is to keep international questions as much as we can away from the arbitrament of force, and to turn the attention of other nations from armaments to discussion.

Again, our economic position is, to put it mildly, embarrassing. In this country we have a real and urgent need for economy and lower taxation. The present level of taxes is a serious burden on our industry. Yet, apart from rearrangement of our debt, which may be possible in the future, there is no real opportunity for economy except in our expenditure on armaments, and considerable economies in that direction can only be safely attempted by international agreement. Even by this means it is not easy to see how any reduction in our Army is possible. Its strength depends on the duty of watch and ward which it discharges, and its strength is barely sufficient for that duty. With the Navy the case is different. Its strength depends mainly on the strength of foreign Navies. If, therefore, there is to be any reduction of the expenditure on our Navy, it must be by international agreement. The same is equally true of our Air Force. There is, however, an additional motive for seeking a general reduction of European Air Forces arising from the menace of aerial bombardment. It seems to be literally true that a concentrated air attack with explosives, incendiary bombs and gas on the heart of the Empire in London, or indeed on any other large centre of population,

might wipe large sections of it out of existence. The most effective form of defence against such an attack is by counter offensive action against the enemy's country. This means that the strength of our Air Force must be proportionate to the strength of the other Air Forces in Europe. Here again, therefore, if any reduction of expenditure on the Air Force is to be achieved, it must be by international agreement.

The greatest practical step towards the reduction of armaments was that carried out by the Washington Treaties of 1922. It is unnecessary to recall their terms. They deal solely with naval disarmament. Even [*sic* ?Ever] since its foundation the League of Nations has been striving to find some practical means for the reduction and limitation of all armaments. A full account of what has been done up till last September is contained in the Foreign Office memorandum⁶ respecting the League and Disarmament, League of Nations Section Summary III-5 A and III-7 A, and it is unnecessary to repeat what is there stated. The present position is as follows: The League has appointed a Preparatory Commission whose duty it is to draw up a basis for a General Conference for the Reduction and Limitation of Armaments, to be held as soon as the preparatory work is completed. It has had two meetings, at the first of which it appointed technical sub-committees to examine the technical side of the problems submitted to it. Those sub-committees have been working with great energy, dealing with all the technical problems from a military, naval, aerial and also from an economic point of view. Their work is not yet complete.⁷ Considerable differences of opinion have been manifested and are still the subject of discussion; but the general effect of the work so far accomplished is that there does not seem to be any insoluble technical difficulty in the way of a reduction and limitation of armaments. It is, of course, possible that the differences of opinion which have been manifested will turn out to be unbridgeable. If that were so, it would cause very profound disappointment in this country, and I doubt not in the other countries of Europe. Personally, having studied the proceedings of these committees I feel fairly confident that, given goodwill, the differences of opinion can be adjusted. At the same time it is right to recognise that the discussions have shown the great delicacy of the problems involved, and how easy it is to raise suspicions of insincerity in the minds of the representatives, particularly of the armed forces of the different countries. For this reason as well as for others, it is very important that the preparatory work should not be unduly hurried. A good deal more discussion is necessary in order to educate public opinion and still more professional opinion. Even so, it is not improbable that the first Disarmament Conference will only be able to take a very short step towards the ultimate goal. It would seem reasonably

⁶ The reference is uncertain.

⁷ The results of the work of the subcommissions of the Preparatory Commission were embodied in the following reports: (i) report of December 1926 of Subcommittee A (League of Nations document No. C. 739. M. 278. 1926. IX: C.P.D. 28); (ii) report No. 1 (C. 738. M. 277. 1926. IX: C.P.D. 29) of November 30 of Subcommittee B, incorporating the report of November 1 (C.P.D./C. 'B' 6: C.P.D./C.M./33) of the Joint Commission.

satisfactory if a definite and unmistakeable [*sic*] step in that direction, however small, is taken.

Even this modest achievement will be impossible without considerable effort. It is not only the technical and political difficulties in the way of reduction or limitation of armaments which are considerable. There are in addition what may perhaps be called moral vested interests of great strength. The world has been brought up to believe in war and consequently in the necessity for armaments, and any attempt to reduce them is apt to be resented, particularly in foreign countries, as visionary and unpatriotic. At present the question is in a preparatory stage, but when the Disarmament Conference is summoned it will need all the energy and all the goodwill of those who are in favour of disarmament to achieve success. And, as in the case of most other international movements, it will be upon the British Empire that will rest the chief responsibility for success or failure. If, counting the cost, the British nations are in real earnest in pressing this reform, then and only then can we hope to bring it to pass.⁸

R. C.

⁸ On November 11, at a meeting of the Committee of Imperial Defence which was attended by representatives of the Dominions, Lord Cecil stated that he thought it was improbable that a Disarmament Conference would be convened in 1927. Sir A. Chamberlain, who agreed as to the dangers of undue haste, pointed out that it would be a delicate matter to urge that the Conference should be postponed until 1928 as His Majesty's Government, who had been the chief advocate of disarmament, would thus appear to be impeding progress. A further point to be considered was that the states bordering on the Soviet Union would not drastically limit their armaments unless the Soviet Union was a party to a disarmament agreement even though they could feel that they had nothing to fear from Germany, Hungary, or Bulgaria.

No. 274

Sir R. Lindsay (Berlin) to Sir A. Chamberlain (Received November 5, 9 a.m.)

No. 302 Telegraphic [C 11653/436/18]

BERLIN, November 4, 1926, 8.37 p.m.

Foreign Minister informed me yesterday that continuance of military control was causing him increasing difficulty and he was most anxious to see it withdrawn by December and League of Nations scheme substituted. To accelerate the matter he would probably instruct German representatives in London and Paris and perhaps too at Rome and Brussels to make either written or verbal representations. He understood that there were only one or two points of importance outstanding.

In this connection see also General Wauchope's report of a conversation with Minister for Foreign Affairs in his note number 72¹ of November 3rd.

¹ Enclosure 2 in No. 287.

*Sir A. Chamberlain to the Marquess of Crewe (Paris)**No. 3109 [C 11460/436/18]*FOREIGN OFFICE, *November 5, 1926*

My Lord,

Your Lordship will recollect that in my despatch No. 3625 of the 3rd November, 1925,¹ I expressed the view that the initialling of the Locarno Treaties had introduced a wholly new spirit into the relations between Germany and the ex-Allied Powers which, so far as affected the question of German disarmament, was reflected in the view that the peace of Europe would be better guaranteed by the display of a conciliatory spirit on both sides than by insistence upon the meticulous execution by Germany of all the demands contained in the Allied note of the 4th June, 1925. It was therefore the opinion of His Majesty's Government that the evacuation of the Cologne zone should be hastened to the greatest possible extent compatible with the liquidation of those outstanding points of disarmament which might constitute a menace to the peace of Europe.

2. This policy met with the general acceptance of the other ex-Allied Powers and it was accordingly found possible, after agreement had been reached with the German Government on certain points of difference, for the Ambassadors' Conference to inform the latter on the 16th November 1925 that it had been decided to proceed without further delay to the evacuation of the Cologne zone, and that it was intended that the Commission of Control should similarly be withdrawn as soon as it had verified the execution of the points which remained to be executed.

3. Nearly a year has now passed since the despatch of that note and it is a natural disappointment that, owing chiefly to the dilatoriness of the German authorities, it has not yet proved possible to bring Allied control to an end. On the other hand, the general relations between the Western Powers and Germany have continued to improve, and have recently been still further consolidated by the ratification of the Locarno Treaties, the entry of Germany into the League of Nations, and the subsequent friendly and interesting conversation between M. Briand and Dr. Stresemann. The views set forth in my above-mentioned despatch have therefore, if anything, greater force to-day than they had when my despatch No. 3625 was written last year; but whereas they were then expressed with particular reference to the evacuation of the Cologne zone, their application to-day is to the withdrawal of the Commission of Control from Germany.

4. I had already given your Lordship an indication of what was in my mind in this respect when in my telegram No. 215² of the 11th August last I instructed you, when agreeing to the terms of the recent draft note to the German Government respecting the outstanding points of military control, to make it clear to the Ambassadors' Conference that your acceptance of the

¹ See Volume I, No. 50.² No. 139.

draft must not be interpreted as committing His Majesty's Government one way or the other on the question of the continuance of Allied control once Germany was a member of the League. Now that Germany has actually taken her seat on the Council and the Locarno treaties are formally in force, it is possible to formulate the views of His Majesty's Government with greater precision, and it is their considered opinion that the time has come for reconsidering the question of German disarmament as a whole with a view to withdrawing the Commission of Control at as early a date as possible and entrusting any investigations that may be subsequently found necessary to the League of Nations under article 213 of the treaty.³ In reviewing the present situation His Majesty's Government are convinced that the test to apply should be not the technical importance of one or other of the demands made by the Commission of Control, but whether the failure of the German Government to conform to the commission's requirements on any given point would constitute a real danger to international security, and whether conversely the execution of the commission's requirements would afford in reality an additional and effective guarantee against the revival of German militarism.

5. I now transmit to your Lordship herewith a copy of a memorandum prepared on these lines by the General Staff and containing a list of the points the execution of which has not yet been completed, together with recommendations as to what measures are still required and what may be safely abandoned. His Majesty's Government are in full agreement with the recommendations of the General Staff, and from them they have drawn the conclusion that the only points to which importance still attaches are those concerning (1) illegal enlistments, (2) police, (3) import and export, &c., of war material, and (4) associations; that in regard to these points the latest German proposals in respect of illegal enlistments and associations should be accepted, as well as the German request for an increase in the number of police; and that if this latter were conceded, little difficulty would be found in reaching a solution of the other police questions. (This view as regards the police question has indeed been held throughout by His Majesty's Government, and your Lordship will recollect from my despatch No. 1900⁴ of the 1st July that they only agreed to the rejection of the German request for an increase of police last July on the condition that the note to the German Government⁵ was so worded as to enable the question to be reopened when circumstances permitted.) Lastly, His Majesty's Government feel strongly that provided a settlement on the above lines is reached with regard to the four points which I have enumerated, further delay in the withdrawal of the Commission of Control would not be justified.

6. This question is of course one for the Ambassadors' Conference but, before bringing it before that body, I request that your Excellency will communicate my views, together with a copy of the enclosed memorandum, to M. Briand personally and explain to him that His Majesty's Government

³ Of Versailles.

⁴ No. 76.

⁵ Cf. No. 85, note 2, for the note of July 9 to Herr von Hoersch.

are convinced that if a conclusion of this question is not to be indefinitely delayed, it is essential that it should be considered from the broad point of view of general appeasement and security in Europe and that each individual point should be decided by the test whether insistence upon its exact execution would advance or retard that desired end. It is with that purpose in mind that the proposals of His Majesty's Government have been framed, and I confidently hope that M. Briand, whose desire to withdraw the Commission of Control as soon as possible is I know as great as mine, will see his way to support them when your Lordship brings them before the Ambassadors' Conference.

7. If the general policy which His Majesty's Government advocates proves acceptable to M. Briand and to the other Governments represented on the conference, the next step will be to issue appropriate instructions to the Commission of Control whose duties, as at present defined, are to supervise the full execution of the demands of June 1925 (except in so far as they were later modified by the agreement reached with the German representatives in Paris in November 1925). His Majesty's Government would accordingly propose that the Control Commission should be informed of the policy which it has been decided to adopt and be given detailed and explicit instructions as to the line they are to take on each particular point in negotiating a final settlement with the German authorities. It is in the view of His Majesty's Government essential that the conference should define beyond all doubt those outstanding points which the ex-Allied Governments still intend to insist upon and those which, in view of the new political situation, they have abandoned. The War Office memorandum enclosed herein defines clearly the points wherein, in the opinion of His Majesty's Government, further measures are still required.

8. It would doubtless be well were the conference, when issuing their instructions to the Control Commission, at the same time to notify its decision direct to the German Government in such a way that the latter may be in no doubt as to the points on which the ex-Allied Governments intend to insist.

9. Lest it should be thought that His Majesty's Government in making these proposals are in any way forgetful of the interests of other Powers, you should, when approaching M. Briand and in due course the Ambassadors' Conference, add that His Majesty's Government would gladly be prepared to join in representations to the German Government to the effect that, before the Control Commission is withdrawn, they must give an undertaking similar to that which figures in the Aeronautical Agreement of the 22nd May, 1926 (see the exchange of notes between the President of the Ambassadors' Conference and the German Ambassador, *pièces A and B* of the agreement), to make no difficulty about investigations being carried out by the League under the existing scheme as soon as Allied control has ended even if the German objections to the present League scheme have not by then been discussed by the Council.

10. I have sent a copy of this despatch to His Majesty's Ambassadors at

Rome and Brussels, with instructions to speak in a similar sense to MM. Mussolini and Vandervelde.⁶

I am, &c.,
(For the Secretary of State)
ORME SARGENT

ENCLOSURE IN No. 275

General Staff Memorandum regarding Outstanding Questions of Control in Germany

Secret

WAR OFFICE, October 29, 1926

1. The state of execution of the points enumerated in the four German lists of the 23rd October, 1925,⁷ is as follows. Details regarding the various points still outstanding are given in Appendix (A):—

List I. (Points reported as executed on 23rd October, 1925.)

Of the 14 points all have been settled except two—

- No. 1, Police, suppression of Auxiliary Police and Volunteers, and
- No. 12, Forbidden Zones.

List II. (Points which were to have been settled by 15th November, 1925.)

Of the 20 points contained in this list, all have been settled except three:

- No. 1, Police, Surrender of mobile wireless stations, statement showing the distribution of fixed wireless stations.
- Nos. 19 & 20, Illegal enlistments; prohibition of training of reserve officers.

List III. (Points whose execution was to have been assured by 15th November, 1925.)

Of the 23 points of this list, 10 have been executed and 13 remain to be liquidated, but considerable progress has been made in several cases. The points still to be settled are the following:

- No. 1. Police. Reduction of effectives to 150,000 men. Suppression of military instruction.
- No. 8. Dortmunder Union.
- No. 9. W[estphälische]-A[nhaltische]-S[prengstoff]-A[ktien]-G[esellschaft] Reinsdorf.
- No. 10. Transformation of former military establishments.
- No. 14. Police workshops.
- No. 16. General Staff.
- No. 17. Military organization of railways.
- No. 18. Effectives.
- No. 19. Services.
- Nos. 20 & 21. Import and export of war material. Possession, Traffic and unauthorized manufacture of war material.
- No. 22. Coast defences.
- No. 23. Surrender of plans of various fortifications.

⁶ Foreign Office despatches Nos. 1535 to Rome and 814 to Brussels are not printed.

⁷ See item No. 1 in Cmd. 2527 of 1925.

List IV. (Demands whose execution presents special difficulties.)

Complete agreement has so far not been reached on any of the points in this list except No. 4. The points included are:—

- No. 1. Police. Police and Military Ranks. Status of Personnel.
Quartermen in Barracks.
- No. 2. High Command.
- No. 3. Prohibition of instruction in the employment of certain weapons.
- No. 4. Königsberg Fortress.
- No. 5. Associations.

2. Appendix (A) attached, shows the present situation of all the unsettled points and what action it is considered should be taken as regards each.

3. The new constructions reported at Königsberg, Lötzen, Küstrin and Glogau constitute new infractions in that these questions do not figure in the Allied Note of 4th June, 1925, nor in the four German Lists. The German Government maintain that no infraction against Articles 180 and 196 of the Peace Treaty has been committed. As the point raised is a legal one it should be referred to the drafting committee for decision. Should the legal advisers consider that the German Government are justified in their contention, no further action can be taken. Should the legal advisers however, support the view that an infraction against Article [s] 180 or 196 has been committed, the following solution might be adopted as a concession.—The German Government to be allowed to retain the shelters already constructed, but to give a definite pledge not to undertake any further constructions. Should, on the other hand, the German Government refuse to accept the Allied ruling regarding the interpretation of Articles 180 and 196, the question might be referred to the League of Nations or the Hague Court of International Justice. This question should not, however, be allowed to delay the withdrawal of the Commission of Control, whose duties under the treaty are confined to controlling the execution of the time-limit clauses.

4. The outstanding demands, to which the General Staff attach importance, are:—

(a) List II. 19 & 20. Illegal enlistments

(b) List III. 1	} Police—total effectives, organization and attendant questions.
„ I. 1	
„ II. 1	
„ III. 14	
„ IV. 1 (a), (b) & (c)	

(c) List III. 20 & 21. Import and Export, Illegal possession, Trade in and Manufacture of War Material.

(d) List IV. 5. Associations. The cancellation of the Decree of 24th May, 1921.

The General Staff consider that a satisfactory solution of these questions must be reached before the Commission of Control is withdrawn.

APPENDIX (A) TO ENCLOSURE IN NO. 275

. . .⁸ List II

<i>Point</i>	<i>Description</i>	<i>Present situation</i>	<i>General Staff recommendation</i>
... ⁸ 19 & 20	Illegal enlistments. Prohibition of training of Reserve Officers.	The German Government, in their letter No. A. 2778 of 6th September, 1926, to the Ambassadors' Conference forwarded a copy of a draft decree dealing with these questions, with the proposal that it should be signed by the President and the Reichswehrminister. From a legal point of view, this decree is not sufficient, and does not meet the requirements of the Conference of Ambassadors for an amendment to German legislation.	That the draft decree meets the Allied demands on essential points and should be accepted.

List III

<i>Point</i>	<i>Description</i>	<i>Present situation</i>	<i>General Staff recommendation</i>
1	<i>Police</i> (a) Reduction of effectives to 150,000. (b) Suppression of Military instruction.	 Germany has submitted several proposals for the settlement of this question, entailing increases of 5,000 to 7,500 men. These have been refused by the Ambassadors' Conference and the refusal communicated to the German Government on the 9th July, 1926. Germany has issued a decree (No. P. 9088 dated 24.12.25) on this subject which satisfied the Commission of Control. The various States have also issued orders necessary to give effect to the decree. The preparation of Training Regulations is stated by the German Government to be in hand.	 A satisfactory settlement will not be reached unless a concession is made on this point. If a concession is made there should not be any difficulty in reaching a settlement regarding the other police questions. The German Government should be asked to give a guarantee that the training manuals will be published and that these will be in conformity with the Allied requirements and that the provisions of the decree shall be incorporated in the State laws. . . . ⁸
16	General Staff.	General von Pawelsz's letter No. R.K. 672/9.26 of the 4th September, 1926, gives the details of the organization of the Reichswehrministerium. The only points	The Commission of Control should be ordered to make concessions on these points, so as to reach a settlement. Al-

⁸ Items regarding which the General Staff anticipated no especial difficulty have been omitted from this table.

<i>Point</i>	<i>Description</i>	<i>Present situation</i>	<i>General Staff recommendation</i>
		which cannot be considered as settled are— (i) Personalamt of the Reichswehrministerium (ii) The amalgamation of the I.W.G. (Inspektion für Waffen und Gerät) with the Waffenamt (iii) Reorganization of the Military Transport Service	though this is an important point, yet it is not considered that the Allies will ever be in a position to prevent the possible future reorganization of the Reichswehrministerium. . . .^a
20	Import and export of war material.	The German Government representatives have resumed the discussions on the definition of war material with experts of the Commission of Control, and agreement has been arrived at on 49 out of the 57 items. The discussions continue. The unsettled points are:— 1. Rifles, carbines, &c. 12. Pistols 15. Explosives 32. War vessels 33. Boilers, motors, &c., for war vessels 55. War manufacture of the future 56. Machinery for making war material 57. Half-worked articles and specially prepared material destined for war purposes It is expected that items 1, 12, 15, and 55 will be settled in the not distant future. Articles 32 and 33 dealing with naval war material fall outside the scope of the Commission of Control and will have to be referred to Paris. Items 56 and 57 present difficulties. It may be possible to reach a settlement on item 57 by making judicious concessions. Item 56 is important, and will probably have to be referred to Paris for a decision. After the list of articles to be classed as war material has been agreed on, the text of laws dealing with— (a) Import & Export of war material, (b) The manufacture, Possession of, and Trade in war material,	A settlement satisfactory to the Allies must be arrived at over items 56 and 57 as they directly affect the possibility of the future material rearmament of Germany. . . .^a
21	Illegal possession, Trade in and Manufacture of war material.		

<i>Point</i>	<i>Description</i>	<i>Present situation</i>	<i>General Staff recommendation</i>
		will have to be studied and approved by the Commission of Control. The latter law, for instance, must include the list of factories authorized by the Commission to manufacture certain classes of war material.	

List IV

<i>Point</i>	<i>Description</i>	<i>Present situation</i>	<i>General Staff recommendation</i>
1	Police— (a) Police & Military ranks. (b) Status of personnel. (c) Police in barracks.	The German Government has passed a law through the Reichstag abolishing the Schutzpolizei⁹ as an institution of the Reich. The different States will now have to pass laws each constituting its own Schutzpolizei, and these laws should give effect to the rectifications demanded under this heading. The law passed by the Reichstag is not satisfactory, as it does not carry out the agreement reached in Paris in November, 1925, regarding the life engagement of the police. The Commission of Control have been instructed by the Allied Military Committee of Versailles to approach the German Government with a view to reaching a settlement on this point. The text of the various State laws will also have to be approved.	Execution depends on solution of general Police question.
2	High Command.	The German Government issued a decree on 28th January, 1926, dealing with this question on the basis of the agreement arrived at in Paris in November, 1925. Certain objections were made, and the Conference of Ambassadors on 18th May, 1926, instructed the Commission of Control to inform the German Government that official instructions must be issued by the Reichswehr Minister to the effect:— (a) that the duties of Inspector-General will be carried out by	(a) should be dropped. (b) is involved in the general question of the interpretation of article 180 (cf. Königsberg constructions). (c) Can be regarded as settled.

⁹ i.e. security police.

<i>Point</i>	<i>Description</i>	<i>Present situation</i>	<i>General Staff recommendation</i>
		one of the two Gruppen Kommandos, (b) that the power[s] of Divisional Commanders as to fortifications are limited by Articles 180 and 196 of the Treaty,³ (c) that it must be made clear that Munitions Anstalten are not Zeugämter.¹⁰ The German Government has replied: (a) That it has no intention of appointing an Inspector-General. (b) That they are entitled to make such additions or renewals to the system of fortifications on the southern and eastern frontiers as they consider necessary. As to (c) the German Government have met the demands of the Allies. The Allied Military Committee of Versailles have recommended to the Conference of Ambassadors that (a) should be dropped.	
3	Prohibition of training in the use of certain arms.	The German Government has issued a circular, dated 11th November, 1925, forbidding the use by the Army of civilian aircraft. The German Government regard this point as settled and refuse to forward copies of their Training Regulations to the Commission of Control for checking.	This point should be dropped, as the letter of the Treaty ³ does not justify our interference in the training of the German Army, provided the authorised scales of armament and equipment are not exceeded.
4	Königsberg Fortress Artillery.	The Germans have surrendered the excess heavy artillery vehicles. The placing of the anti-aircraft guns in fixed positions is in progress in accordance with the plans submitted to the Commission. The anti-aircraft gun positions were inspected on 14th September, 1926, and it was found that six guns complied with the instructions of the Commission. The platforms of the remaining six had had to be sent back for alteration, but these should be in position by the end of October.	No difficulty is anticipated over this point.

¹⁰ Cf. Volume I, No. 427, note 4.

<i>Point</i>	<i>Description</i>	<i>Present situation</i>	<i>General Staff recommendation</i>
5	Associations.	The German Government published a Decree dated 12th February, 1926, giving effect to the agreement arrived at in Paris during November 1925. The Germans claim that this settles the question as far as the Commission is concerned. The German Government has also undertaken to cancel the Decree of 24th May, 1921, which clashed with the Decree of 12th February, 1926. The Commission of Control has demanded to be informed of the measures taken by the different States to give effect to the decree of 12th February, 1926.	The Decree should be accepted as satisfactory. Provided the German Government cancel the Decree of 24th May, 1921, the Decree of 12th February, 1926, should be accepted as satisfying our demands. ¹¹

¹¹ In a note of November 12, whereof a copy was communicated to the Foreign Office by the War Office, General Wauchope stated: 'Reichsgesetzblatt, Part I, No. 59, Page 481, dated 29th October 1926, contains the publication of a decree of the Reichspräsident repealing the decree dealing with Military Associations of 24th May, 1921. This settles this question as far as the British point of view is concerned, but it remains to be seen whether our Allies will consider this sufficient.'

No. 276

The Marquess of Crewe (Paris) to Sir A. Chamberlain (Received November 8)
No. 2078 [C 11692/436/18]

PARIS, November 6, 1926

His Majesty's Representative at Paris presents his compliments to the Secretary of State for Foreign Affairs, and has the honour to transmit herewith copy of the under-mentioned paper.

Name and Date

Ambassadors' Conference to German Ambassador in Paris.
 No. 189 of November 5th, 1926.

Subject

Alienation of unauthorised German military establishments.

ENCLOSURE IN NO. 276

Note from M. Briand to Herr von Hoesch

No. 189

Copie

PARIS, le 5 Novembre 1926

Monsieur l'Ambassadeur,

Par lettre en date du 6 Septembre,¹ le Chargé d'Affaires d'Allemagne a bien voulu adresser à la Conférence des Ambassadeurs la réponse du

¹ Enclosure in No. 200.

Gouvernement allemand à la lettre de la Conférence, datée du 27 Août 1926,² relative à l'aliénation des anciens établissements administratifs de l'Armée allemande dont la conservation n'a pas été autorisée.

Dans sa réponse, le Gouvernement allemand expose les difficultés que rencontre, au point de vue économique, l'aliénation définitive de ces bâtiments et fait valoir qu'il ne croit pas possible de modifier l'état de choses actuel, tout en déclarant que, si la situation économique s'améliore, il essaiera de vendre les bâtiments qui n'ont pas encore reçue une nouvelle affectation.

La Conférence des Ambassadeurs, après un examen attentif des arguments ainsi développés et après avoir pris l'avis de la Commission de Contrôle, regrette de constater que les assurances contenues dans la lettre précitée ne suffisent pas à régler la question. Sans méconnaître les difficultés que rencontrerait l'aliénation immédiate de la totalité des anciens établissements dont il s'agit, elle estime nécessaire qu'un accord intervienne qui permette d'effectuer dans des conditions satisfaisantes le règlement de cette affaire.

Dans ces conditions, la Conférence estime qu'il sera tenu un compte suffisant des difficultés économiques signalées par le Gouvernement allemand si celui-ci se met d'accord avec la Commission de Contrôle pour arrêter un programme complet d'aliénation définitive des établissements militaires en excédent; les délais dans lesquels l'aliénation devrait être réalisée seraient fixés par ledit programme et arrêtés d'accord entre la Commission de Contrôle et le Gouvernement allemand.

Veuillez agréer, &c.,

A. BRIAND

² Enclosure in No. 189.

No. 277

Sir A. Chamberlain to Sir R. Lindsay (Berlin)

No. 128 Telegraphic [C 11653/436/18]

FOREIGN OFFICE, November 8, 1926, 6 p.m.

Your telegram No. 302¹ (of the 4th November. Termination of military control in Germany).

I had just sent instructions to His Majesty's Ambassadors at Paris, Rome and Brussels to represent to the governments to which they are accredited the desirability of reviewing the present situation with a view to facilitating the early termination of military control in Germany. My view, which is being explained at length to those governments, is that the Ambassadors Conference should agree on what are really essential points, and should decide that as soon as the German government give satisfaction with regard to these, other outstanding demands should be waived and the Control

¹ No. 274.

Commission at once withdrawn. A copy of the despatch goes to you by tonight's bag.²

If the German Ambassador makes representations to me on this question, I propose to tell him frankly that we are reviewing the situation in the hope of finding a way of hastening the conclusion of military control but that now as always my chief difficulty lies in the failure of the German government to do their part, and that if we are to succeed in our endeavours, we must have assistance from the German side. I shall refer especially to the negotiations now proceeding between the German government and the Control Commission for the definition of war material; since this is to our mind the question of chief importance.

You may so inform Dr. Stresemann if you think fit. He knows that neither Briand nor I want to continue this control but he must help us by putting effective pressure on German military authorities.

² A copy of No. 275 was sent to Berlin in Foreign Office despatch No. 1437 of November 8 (not preserved in Foreign Office archives).

No. 278

The Marquess of Crewe (Paris) to Sir A. Chamberlain (Received November 10)
No. 2107 [C 11822/10060/18]

PARIS, November 9, 1926

Sir,

M. Briand told me today that he wished to tell you of the present position regarding the sequel of the Thoiry conversations. He had had some talks with the German Ambassador here, and had made it quite clear through him to M. Stresemann that while he, on his part, is anxious to proceed to any possible mitigations in the Rhineland, yet action under Article 431 of the Treaty¹ depended not upon him but upon Germany. He, therefore, could only sit in an attitude of expectation, but he would go forward to meet any advance made from the German side.

2. On the other hand, it must be realised that it was not possible for France and Germany to decide *à deux* financial questions, touching on reparations and the Dawes plan, such as those which had been vaguely alluded to at Thoiry. Other parties, notably Great Britain, and in the long run the United States, were, or might be, deeply affected by any Franco-German arrangements, and he was quite determined that all matters of this sort could only be dealt with on a wider field.

3. M. Briand asked me, therefore, particularly to assure you that any thought which the French Government might have of coming to agreement with Germany would always be subject to the consideration that British financial interests must not be allowed to suffer.

¹ Of Versailles.

4. The general impression which I derived from our short conversation on this particular subject was that M. Briand has no immediate hope of a transaction with Germany on what were first believed to be the Thoiry lines. I take it that the information at your disposal tends to make you believe that the commercialisation of Railway Bonds is an extinct policy, and it may be assumed that failing this or some other substantial *quid pro quo* M. Briand will not do anything dramatic towards changing the situation on the Rhine, though he will try to ease the strain as far as possible. He mentioned *logements* today, as a matter on which he is trying to give relief. I conclude, also, that he is looking forward to further conversations at Geneva, in the Locarno vein, which may help to clear away outstanding difficulties.

I have, &c.,
CREWE

No. 279

Letter from the Marquess of Crewe (Paris) to Sir A. Chamberlain
(Received November 18)¹

[C 12115/436/18]

Copy

Private

PARIS,²

My dear Chamberlain,

In accordance with the instructions contained in your despatch No. 3109³ of November 5th, I called at the Quai d'Orsay yesterday, and handed to Briand a copy of the General Staff Memorandum on Outstanding Questions of Control in Germany, leaving with him also an *aide-mémoire*⁴ comprising all the statements and arguments in the despatch. In conversation I went over the four points mentioned in Paragraph 4 of the despatch, but we did not discuss them in detail, except that Briand observed, in reply to my remark that we still maintain that the small increase demanded in the police force involves no military danger, that from his conversations at Geneva he felt tolerably sure that the Germans would not continue to press for this increase when a general solution of control could be attained. I had had no reason to suppose that this is an accurate forecast of his. Briand went on to say that he entirely realised the difficulties that Stresemann has to encounter from his military opinion, but his own complications with the soldiers are even more severe, because for France the problem of security is perpetually present.

Briand was not prepared to admit the full force of the comparison between the present conditions and those which preceded the evacuation of the Cologne Zone. He pointed out that the latter step was taken after proof had been received that certain obligations under the Treaty⁵ had been carried

¹ Date of entry on Foreign Office file.

² The filed copy of this letter was undated. It was evidently written on November 10.

³ No. 275.

⁴ Not printed.

⁵ Of Versailles.

out and a German promise that the remaining conditions would be fulfilled had been definitely accepted. In the present instance, several of those pledges had not been carried out.

It being thus clear that he did not regard the two things as *in pari materia*,⁶ I simply asked him whether he thought it would be possible to withdraw the Commission of Control before the next meeting of the Council at Geneva.⁷ He answered rather positively that he did not think it would be possible, and I conclude that what he has in his mind is a simultaneous settlement at Geneva, by oral discussions, of the remaining outstanding points of control and of the future system of inspection by the League. I had carefully impressed on him the importance of the provision in Paragraph 9 of the despatch for demanding an undertaking from Germany during the awkward period of hiatus between the two controls. But if I am right in what I have just stated, M. Briand would prefer to avoid altogether the creation of a gap.

He said that he would have the General Staff Memorandum carefully examined, and that he would send me a reply dealing with all the points. This is why I send my first impressions to you in the form of a letter instead of writing a despatch.

Yours sincerely,
CREWE

⁶ i.e. of equal content.

⁷ The Council of the League of Nations met at Geneva on December 6.

No. 280

Sir R. Lindsay (Berlin) to Sir A. Chamberlain (Received November 11, 9.15 p.m.)

No. 306 Telegraphic [C 11903/436/18]

BERLIN, November 11, 1926, 8.25 p.m.

I spoke today to the Minister for Foreign Affairs in the sense of your telegram No. 128.¹

He said he had not made the representations about the abolition of control which he had thought of but meanwhile the German Ambassador at Paris had had a satisfactory conversation with the French Minister for Foreign Affairs which encouraged him to hope for a speedy solution. He was anxious to have the whole question removed out of the hands of the specialists of the Interallied Commission of Control and treated in a broader manner by more politically minded men, but did not say how he intended to effect this.²

I did not mention your proposal for bridging the gap between abolition of control commission and introduction of League investigation scheme but suggested a doubt as to whether any hiatus could be agreed to. Minister for Foreign Affairs expressed the view that it would be possible to reach agreement on League scheme at Geneva in December if it appears on the agenda.

¹ No. 277.

² Cf. *Gustav Stresemann, op. cit.*, vol. iii, p. 59.

Sir A. Chamberlain to the Marquess of Crewe (Paris)

No. 265 Telegraphic: by bag [C 11693/269/18]

Important

FOREIGN OFFICE, November 12, 1926

Your despatch No. 2079 (of 6th November: German musical bands in the demilitarised zone).¹

When this matter comes before the Ambassadors' Conference you should suggest that as a provisional measure the German Government might be invited to ask the permission of the Ambassadors' Conference in advance before committing technical violations of Article 43.² You should make it clear that our advocacy of this procedure as a temporary measure is without prejudice to the view expressed in my despatch No. 2756³ that, since the entry into force of the Locarno Treaty, such violations are questions for the League of Nations to deal with rather than the ex-allied governments. But I am impressed with the possible danger to which M. Rieth referred in his recent conversation with M. Massigli, of the German military authorities forcing the issue and presenting us with some awkward *fait accompli* unless the German Government receive at an early date a reply to their various representations which will provide for some *modus vivendi*. Your Lordship will recollect that no reply has yet been given to M. Rieth's original representations of May last (your despatch No. 845).⁴ As the Germans have now themselves come forward with the suggestion that they should apply in advance to the Ambassadors' Conference in such cases, I see no objection to accepting the offer provisionally until the whole question of the League's powers under Article 213 of the Treaty of Versailles and under the Locarno Treaty is thrashed out at Geneva. A further reason for agreeing to some such provisional arrangement is that I learn confidentially from Sir Eric Drummond that the German Government are not proposing to raise a discussion of Article 213 at the forthcoming meeting of the Council.

There will be no objection as far as His Majesty's Government are concerned, to the German Government being informed at the same time that the ex-Allied Governments cannot accept their view that the entry of military musical bands into the demilitarised zone is not a violation of Article 43. In this connection see paragraph 3 of Foreign Office letter to the War Office of September 17th (my despatch No. 2756).

¹ Not printed. This despatch transmitted a record of a conversation on October 30 between M. Massigli and Herr Rieth.

² Of the Treaty of Versailles.

³ No. 224.

⁴ See Volume I, No. 503, note 5.

*Sir R. Graham (Rome) to Sir A. Chamberlain (Received November 15)**No. 968 [C 11988/77/22]**Confidential*

ROME, November 12, 1926

Sir,

The new law for the Defence of the State, reported in my despatch No. 955¹ of the 11th instant and previous despatches, speaks for itself, and I have little to say about it. The press, of course, makes no comment beyond expressing enthusiastic approval and my Italian friends are wisely reticent in the matter. Everyone recognises that the unfortunate series of attempts upon Signor Mussolini's life rendered some strong action on the part of the Government inevitable, but the drastic nature of the new measure has caused general surprise, not to say misgiving, and even some dismay. The opposition forces were considered to be too weak and divided to constitute any serious danger, and the question asked is whether they are in reality stronger than appears on the surface? Certainly on various occasions during the recent disorders when Communist centres were attacked by the Fascisti the Communists put up an unexpectedly good fight. But it is not in reality possible for the opposition to offer any serious resistance to a government which commands the support not only of all the armed forces of the State but also of a party militia of 300,000 men. In view of the intense excitement among his followers Signor Mussolini was bound to give them some satisfaction and especially to their extreme wing, which is for the moment in the ascendant. It is, however, possible that the measures introduced may strengthen his hand in dealing with this extreme element in his own party. Among the several features of the situation which render it somewhat obscure is the fact that the extreme wing of the Fascist party appears to be formed, in large part, of the old Socialist and Communist elements which have in many places gone over in a body to Fascismo. Some of this wing are known to entertain republican ideas; and how far this section can be in real sympathy with the true aims and ideals of Fascismo is problematical.

2. I have explained in my despatch No. 947² of November 6th the reasons which induced Signor Mussolini to substitute himself for Signor Federzoni at the Ministry of the Interior. But the result is that, if any unfortunate accident happened to His Excellency, Signor Federzoni would be less likely to be one of his successors, and it looks as if the Government might pass under the control of the extreme section of the party. I do not believe that such a government could survive for a month. In the meantime we can only wait and see what happens and much must depend on the manner in which the new law is applied. Ardent Fascisti pressed strongly that the provisions for

¹ Not printed. For an English translation of this law, signed in Rome on November 25, 1926, see *British and Foreign State Papers*, vol. 124, pp. 915-17.

² Not printed.

the death penalty should be made retroactive, but I understand that Signor Mussolini absolutely refused to entertain such a proposal.

3. An official statement appears in to-day's press to the effect that all the anti-Fascist political parties and organisations have been dissolved without incident.

4. On the publication of the measure I called on the Secretary-General of the Ministry for Foreign Affairs and pointed out to him that certain of its provisions must cause a good deal of apprehension to foreigners in Italy, and more particularly, to foreign newspaper correspondents in this country. I asked him if he could give me any explanation as to how the law was likely to work. Signor Bordonaro, who was evidently disturbed over the measure, said that he did not believe there was any intention to apply it to foreigners, but he promised to have an explanatory statement made for me in the Ministry for Foreign Affairs and to communicate it to me as soon as possible. Subsequently he telephoned to say that as the article in the Law³ regarding foreigners had now been struck out he did not propose to send me any statement.

5. I have reported by telegram the tension which recent events have caused in Franco-Italian relations,⁴ but in the last few days these relations seem to be taking a turn for the better. The more violent Fascist papers such as the 'Impero' and 'Tevere' have been muzzled. The press is more moderate in tone, and I understand privately that Signor Mussolini will shortly take an opportunity of making in public some friendly statement towards France. If he does this will have a great effect upon his followers. I believe His Excellency to be sincerely anxious for good relations with France, but it cannot be forgotten that his unfortunate speech after the Lucetti attempt⁵ has been largely responsible for the wave of anti-French excitement which has continued ever since. I have had no particulars of what happened at Ventimiglia beyond what has appeared in the press, but there have been disagreeable incidents elsewhere, particularly at Benghazi and at Tripoli where twenty-five Fascists broke into the French Consulate. In Rome, shortly after the last attempt, a large crowd assembled round the Palazzo Farnese⁶ and was very hostile indeed. I understand that the strong cordon of troops had some difficulty in keeping it back. Owing to the absence of any authentic reports in the press very exaggerated rumours have naturally

³ A note on the filed copy, evidently by Mr. Sargent, here read: 'Whereby foreigners might be prosecuted if they came to Italy for opinions previously expressed outside Italy.'

⁴ Rome telegram No. 231 of November 10 is not printed. Sir R. Graham stated in particular therein: 'My French colleague is shutting his eyes as much as possible and doing all he can to minimize these incidents at some risk to his own position in Paris. He tells me that while Monsieur Briand remains conciliatory there is very strong feeling in other quarters in France. Secretary-General says that he also is disturbed by tense relations although recent conversation between Italian Ambassador at Paris and Monsieur Briand [see *I Documenti Diplomatici Italiani*, Settima Serie, vol. iv, pp. 373-4] has done something to clear the atmosphere. Violence of Italian press had also been muzzled. I have been endeavouring privately to induce Signor Mussolini to make some public utterance of a friendly nature towards France as this would produce very calming effect here.'

⁵ See Nos. 205, note 4, and 207, note 1.

⁶ The French Embassy at Rome.

been current regarding disorders all over Italy. But the reports I have received from British Consular Officers do not bear these out, and it would seem that, excepting at Genoa, no really serious disturbances occurred.

I have, &c.,

R. GRAHAM

No. 283

Sir G. Grahame (Brussels) to Sir A. Chamberlain (Received November 17)
No. 1041 [C 12088/436/18]

BRUSSELS, November 12 [*sic*]¹, 1926

Sir,

I had the honour to receive your despatch No. 814² (C 11460/436/18) of the 5th instant by the Foreign Office bag, which arrived late on Wednesday evening the 10th instant, inclosing [*sic*] copy of your despatch No. 3109 of November 5 to His Majesty's Ambassador in Paris³ on the subject of the withdrawal of the Commission of Control from Germany and instructing me to explain your views to the Belgian Minister for Foreign Affairs.

2. The following day being Armistice Day, the Belgian Ministry of Foreign Affairs was closed and I had to wait until Friday morning before asking that M. Vandervelde should receive me. His Chef du Cabinet replied that he was away from Brussels and perhaps would not return until Saturday. I afterwards learned that M. Vandervelde had gone to Paris. He received me this afternoon and I made him acquainted with the contents of your despatch to the Marquess of Crewe.

3. M. Vandervelde interrupted me shortly after I had begun to give him an account of your views by saying that he had discussed this very matter with M. Briand and M. Berthelot when he was in Paris and that all three of them were agreed that a firm stand should be made and that Germany should be called upon to carry out her obligations. M. Briand had been apparently strong in the view that this was the proper course to pursue and had stated that His Majesty's Government were being too lenient. M. Vandervelde thought that it would create a bad moral effect to condone German evasion and procrastination. Herr Stresemann was always declaring his readiness to do what was required, but alleging that German military authorities were difficult to deal with.

4. I asked M. Vandervelde to let me continue my explanation of your views which he did, and I then handed him the General Staff Memorandum. He repeated once more, however, the views stated above and I had some friendly argument with him on the subject.

5. I said that if he would carefully consider the matter he would find that

¹ This date is evidently incorrect: see below. It would appear that Sir G. Grahame's interview with M. Vandervelde took place on Saturday, November 13, or later.

² See No. 275, note 6.

³ No. 275.

all that you were proposing was that there should not be a meticulous insistence about small and comparatively immaterial points, but that the question should be considered in a broad-minded spirit, having in mind the relation of minor matters to real security and the necessity of general appeasement in Europe. I observed that the General Staff in drawing up their Memorandum had had in mind all the considerations which he had put forward and those which I was emphasizing; and I added that, unless some effort were made to clear out of the way unessential points, the Commission of Control might continue indefinitely and no progress would be made.

6. M. Vandervelde undertook to study the matter in the light of my observations, but he seemed strongly imbued with the result of his conversation with M. Briand and M. Berthelot on the subject.⁴

I have, &c.,

GEORGE GRAHAME

⁴ Sir A. Chamberlain stated in a minute of November 18 on this despatch:

'For reasons of sound policy we desire to get rid of the control even though the Germans have not done what they agreed to do.

'At Locarno they pleaded for mitigations in the disarmament conditions.

'At Paris these mitigations were negotiated with them; they accepted the concessions as sufficient; the bargain was that if we asked only so much, that much should be done.

'It has not been done.

'What now delays the abolition of control is the failure of Germany to keep her bargain.

'If anyone will give himself the trouble to recall the facts, he will see (a) that the Germans haven't a leg to stand on (b) that the position of the French & Belgians is perfectly loyal & logical & (d) [*sic*] that the inference M. Vandervelde draws is the natural one & admits of no satisfactory answer.

'It is really nonsense to talk as if Frenchmen were born with a double dose of original sin.

'For good sufficient reasons we want to abolish the control even though the German Govt. have broken faith.

'That is the whole truth, & it is only on that footing that we can argue our case with any chance of success.

A. C. 18. 11.'

In Brussels despatch No. 1079 of November 26 Sir G. Grahame transmitted a copy of a Belgian note of November 25, with enclosed memorandum by the Belgian General Staff, in reply to his representations. Sir G. Grahame commented in particular: 'M. Vandervelde expresses himself as in general agreement with the British point of view. He states that he attaches moral importance to the execution by Germany of the undertakings given by her in November 1925, while wishing to avoid any such meticulous insistence upon points of details as would delay or lay the other signatories of the Locarno Agreements open to the charge of desiring to delay the withdrawal of the Military Control Commission. Nevertheless, the Belgian Government consider that His Majesty's Government do not attach sufficient importance to two points, namely, the question of Associations and that of the German General Staff.'

On December 1 Mr. Knatchbull-Hugessen reported in Brussels despatch No. 1092, transmitting a further Belgian note of November 30, that M. Vandervelde agreed with the British proposal in paragraph 9 of No. 275 and stated 'that the Belgian Government are unable to regard the League scheme of 1924 as not susceptible of amendment. The scheme must be revised and the German objections seriously considered. The Belgian Government intend to put forward detailed observations and proposals on this matter shortly. The note expresses the view that it would be highly desirable to settle the question of amending the League scheme of 1924 at once, in order to avoid any hiatus between Allied control and League investigation in its final form.'

*The Marquess of Crewe (Paris) to Sir A. Chamberlain
(Received November 15, 8.30 a.m.)*

No. 396 Telegraphic: by bag [General 199/II]

PARIS, November 13, 1926

The Ambassadors' Conference met this morning under the Presidency of Monsieur Jules Cambon. I was present with the Italian and Japanese Ambassadors. The Belgian Ambassador as well as a representative of the United States Embassy also attended. The following questions were considered:—

1. *German musical bands in the demilitarized zones*

I communicated to the Conference a memorandum based on your telegram No. 265¹ of November 12th (see my despatch No. 2137² of November 13th). Monsieur Massigli pointed out that in his conversations with Monsieur Rieth, the latter had spoken of notifications in advance and not permission. (See my despatch No. 1927² of October 18th.) The Belgian Ambassador suggested that it might be better to close one's eyes to a violation of Article 43 rather than to authorize openly such a violation. He thought that German civilian bands might be employed instead of military ones. The Japanese Ambassador, in referring to my memorandum of October 8th (see my despatch No. 1868³ of October 18th [8th]) desired to make it clear that his government was not a signatory to the Locarno Treaty. It was decided, without prejudice to the final decision taken in regard to the suggestions contained in my memorandum of October 8th, to authorise the Secretariat-General to resume conversations with the German Embassy on the subject of the adoption of a provisional procedure for the authorization of the despatch of German bands into the neutral zone. The Secretariat-General was, at the same time, authorized to point out (a) that the conference were unable to accept the view held by the German government, namely that the entry of military bands into the neutral zone did not constitute a violation of article 43 of the treaty of Versailles and (b) that the conference would not be satisfied with a simple notification in advance but considered that permission should be obtained by the German authorities in each case.

2. *Application of article 180 of the treaty of Versailles.* New constructions at Koenigsberg, Lutzen [Lötzen], Küstrin and Glogau.

I communicated to the conference a memorandum based on your despatch No. 2940⁴ (C. 11024/436/18) of October 18th. (See my despatch No. 2114⁵ of November 10th). Marshal Foch explained the situation from a military standpoint. He maintained that certain of the fortifications were undoubtedly

¹ No. 281.

² Not printed.

³ See No. 224, note 3.

⁴ No. 258.

⁵ See No. 258, note 5.

constructed for offensive purposes and that Germany was guilty of an infraction of the treaty of Versailles. In referring to my memorandum of November 10th,⁵ Monsieur Massigli drew the attention of the Conference to the final paragraph of my declaration at the Conference of May 30th, 1925.⁶ (See my despatch No. 1241⁷ of May 29th, 1925). After a somewhat lengthy discussion, it was decided, at my suggestion, to submit the question with all relevant documents to the Drafting Committee.

3. *Registration of German Air Agreement with the League of Nations.*

Monsieur Massigli informed the Conference that the Secretariat General of the League of Nations had not yet been officially informed of the dissolution of the Aeronautical Committee of Guarantee. It was accordingly decided (1) to inform the Secretariat General of the League of Nations that the Aeronautical Committee of Guarantee was dissolved as from September 1st, 1926; (2) to communicate for registration purposes to the Secretariat General of the League of Nations, the documents constituting the Aviation Agreement with Germany and (3) to communicate the above information to the German Embassy. (See your telegram No. 263² of November 12th). . . .⁸

⁶ See Nos. 286 and 294.

⁷ Not preserved in Foreign Office archives.

⁸ The omitted sections related to other matters.

No. 285

Letter from Mr. Troutbeck to Mr. Holman (Paris)

[C 11930/436/18]

FOREIGN OFFICE, *November 13, 1926*

Dear Holman,

I send you herewith a copy of some notes by General Wauchope about military control in Germany. We are not making them the subject of an official despatch because they are not more than a draft. You will notice the passage on page one which states that M. Briand is prepared to invite German representatives to Paris to discuss all outstanding control questions with a view to arriving at a final settlement. The story is confirmed in to-day's 'Times', in which their Berlin correspondent reports that Dr. Forster has already left for Paris for the purpose.

We should be most grateful for any information you can obtain about this.¹

Yours ever,

J. M. TROUTBECK

¹ In his reply of November 15 Mr. Holman stated that Herr von Hoesch had informed General Clive that 'at the meeting at which Briand, Cambon, Massigli and himself were present to discuss the question of disarmament, Cambon took the line that control should cease as soon as possible, Massigli that the time might not be quite ripe and Briand expressed no definite view'. Mr. Holman further stated that M. Massigli had assured him that the report in *The Times* was without foundation.

ENCLOSURE IN No. 285

Notes of conversation between General Wauchope, General von Pawelsz and Dr. Forster on November 8, 1926

Draft

I had a discussion on control matters generally with General von Pawelsz and M. Forster after lunch at the latter's house to-day, 8th November. Dr. Clodius,² Capt. Doberg³ and Col. Gosset⁴ were also invited and were present.

Dr. Forster informed me that they had heard from Herr von Hoesch, German Ambassador in Paris, that M. Briand, M. Cambon and M. Massigli were in agreement with his proposal that the Germ. Gov. should be invited to send representatives to Paris to discuss all outstanding control questions with a view to arriving at a final settlement.

Gen. v. Pawelsz took the line that it might prove difficult for the Amb. Confce. to arrive at decisions on certain points of detail in the outstanding questions and that it would be better for the Amb. Confce. to decide in the first instance, (a) what points are still outstanding, and (b) what general instructions to give to the Control Commission with a view to the early settlement of such points as it would be difficult to settle in Paris.⁵

I stated that I had heard nothing about von Hoesch's proposal to the above effect but was quite ready to discuss it with them and consider their views.

Dr. Forster stated that he was going to Paris within the next 5 or 6 days in view of what has been stated above. General v. Pawelsz added that he thought he could now name the points still outstanding, the High Command question having been settled and an answer having been received from the Amb. Confce. as to Illegal Enlistments.⁶ In regard to the latter point Gen. v. Pawelsz stated that the Amb. Confce. asked for the legal basis on which the proposed decree rested and that the Germ. Govt. had no difficulty in producing the legal grounds on which they considered that this decree would be satisfactory as they had discussed this point before submitting the decree. He therefore thought that this point could also be taken as settled. The other outstanding points were:—

1. Police.

Gen. v. Pawelsz stated that if the Germ. proposals as regards numbers were accepted he would let the Commission have the proposed distribution

² A Secretary of Legation in the German Ministry of Foreign Affairs.

³ A German expert on fortifications and armaments.

⁴ A British expert on armaments and a member of the Inter-Allied Military Commission of Control.

⁵ General Wauchope here added the following pencil note: '(c) and what is essential in these outstanding points.

i.e. To resist or to accept German proposals re Police?

To accept Decree or demand a law re Illegal Enlistments?

To make further demands re Associations? Viking?

⁶ Cf. No. 261, section 7.

both generally as to the police, as to the police in barracks, as to police wireless stations, and as to police workshops, the following day. He would also let us have, if not the actual text, at least the gist of those portions of the police laws of the various States which affect the Commission, i.e. dealing with the status of police, military training, and auxiliary police, by a fixed date, but it would be impossible for him to promise the complete draft laws of all the States within any reasonable period as these laws included detailed financial and other arrangements which do not concern the Commission and which would require considerable time to draft.

2. *War Material.*

Gen. v. Pawelsz considered that the question of war material with the exception of two or possibly one point would be settled in Berlin at an early date and until such a settlement is arrived at it would be better *not* to raise the question in Paris.

3. *Administrative Establishments.*

Gen. v. Pawelsz considered that if the Confce. of Amb. would put forward a proposal to the German Govt. that the latter should give a guarantee of alienation within 5 years and a general programme for the alienation of the administrative Establishments (in accordance with the suggestion made in my No. . . .⁷ of . . .⁷ 1926) and instruct the Commission to accept such a general programme and guarantee from the Germ. Govt., this question also could be best dealt with in Berlin.

4. *General Staff.*

Gen. v. Pawelsz referred to his latest letter on this subject⁸ and said that if this did not settle the matter, he thought it could be dealt with in Paris.⁹

5. *Prohibition of Training in the Use of Certain Arms.*¹⁰

6. *Fortification,—Königsberg, Loetzen, etc.*

This question, being dependent on the interpretation of Art. 180,¹¹ must be settled in Paris.

7. *Associations.*

As the Amb. Confce. has been dealing with the Germ. Govt. direct on this question, Gen. v. Pawelsz considered that it might be settled in Paris.

Even after receipt of the German proposals as to the police, Gen. v. Pawelsz thought it might take some weeks for us to examine the proposals and arrive at agreement with the Germans as to some details and also there are still a certain number of visits of verification, such as Königsberg Heavy Artillery and Coast Defences, to be carried out.

⁷ Omission on filed copy.

⁸ Cf. enclosure in No. 275, appendix A, List III, point 16.

⁹ General Wauchope here added: 'I suggest his letter can be accepted.'

¹⁰ General Wauchope here added: 'Finished.'

¹¹ Of the Treaty of Versailles.

Gen. v. Pawelsz complained bitterly of the visit of inspection to the concrete dug-outs at Glogau. He stated that Col. Azzariti¹² and more especially Major Pulinx, the Belgian Delegate, had exceeded their authority and endeavoured to make a general visit of control instead of a visit of verification which was all that had been ordered.¹³

¹² An Italian member of the Inter-Allied Military Commission of Control in Germany who was an expert on fortifications.

¹³ General Wauchope here added: "They had persisted in certain examinations despite the protests of German officers. This was contrary to procedure during General Inspection. By a quibble in their 2nd. Report, Azzaritti [*sic*] & Pulinx deny this charge."

No. 286

Letter from Mr. Holman (Paris) to Mr. Sargent (Received November 15)
[C 11953/436/18]

PARIS, November 14, 1926

Dear Sargent,

Our telegram No. 396.¹

It may be of interest if I give you in rather fuller detail an account of what passed at the Conference yesterday in regard to the Koenigsberg fortification question.

Foch made a very full and clear statement from the military point of view of the whole question and I must say that the case as he presented it was most convincing. He pointed out that certain of the fortifications put up by the Germans were, without a shadow of doubt, in view of their strategic position, destined to be employed for offensive purposes. He maintained that the construction of such fortifications constituted a grave infraction of the Treaty² and that Germany should be so informed.

We maintained the point of view set out in our memorandum, which was based on your despatch No. 2940³ of October 18th and requested, in face of very strong opposition, that the whole question should first be submitted to the lawyers. We got no support from any quarter. The Belgian Ambassador declared that any Tribunal would give a verdict against the Germans. The Italian Ambassador murmured, I believe, that, although the Control Commission had to confine themselves to securing the execution of the time-limit clauses, the Conference was quite at liberty to issue any fresh instructions it liked. Both Cambon and Foch pressed us strongly not to insist on submitting the question to the jurists, seeing that the infraction was so glaring. But in the end, we managed, after very considerable difficulty, to get the Conference to agree to our proposal.

You will see from our telegram No. 396 that Massigli drew the attention

¹ No. 284.

² Of Versailles.

³ No. 258: for the memorandum of November 10 *v. ibid.*, note 5.

of the Conference to the Ambassador's declaration of May 30th, 1925. For your convenience the relevant portion reads as follows:—

“Ils ne doutent pas en effet que, pendant la période nécessaire à l'exécution des redressements dont ils [il] s'agit, nul manquement nouveau sérieux de l'Allemagne à aucune des obligations que lui prescrit le Traité² ne viendra faire obstacle au jeu de l'Article 429 (1^o).”⁴

‘I am instructed to invite the Conference to interpret this sentence to mean that any new default liable to cause delay in the evacuation must be one of demonstrably grave importance; and that as soon as the default in question is remedied, it will not serve as a reason for delaying further the evacuation.’

To my mind, the view expressed in your despatch No. 2940 and set out in our memorandum is quite in harmony with that declaration. I presume, however, that the French view is that, whilst we were willing in the event of a grave default to delay the evacuation of Cologne until that default should be remedied, we are now not disposed to delay the withdrawal of the Commission of Control, although Germany is guilty of a grave infraction of the Treaty. I should be very glad if you would let me have your views on this point, in case it should come up again.

The French, possibly owing to a certain extent to Polish inspiration, take a very serious view of this infraction. I fear that by getting the whole question referred to the jurists, we have only put off the evil day. I feel that, when it comes up again, it will give us a good deal of trouble. I presume the general line we may adopt is that set out in paragraph 3 of the General Staff memorandum enclosed in your despatch No. 3109⁵ of November 5th.

With regard to the single State factory in Hungary, I believe that the French are now in agreement with us. Foch, however, asked to be allowed to examine our memorandum based on your despatch No. 3155.⁶ In the long run, this delay may be an advantage as I hope that the Versailles Committee will be able to let the Conference have their views before the next meeting, not only on the question of the single State factory but also on the other two outstanding questions connected with effectives and recruiting in the Hungarian Army, at the same time.

Yours sincerely,
ADRIAN HOLMAN

⁴ The passage here cited was incorporated in the Allied note of June 4, 1925, to the German Government: see Cmd. 2429 of 1925, p. 4.

⁵ No. 275.

⁶ Not printed. This despatch of November 10 instructed Lord Crewe to propose that the Hungarian Government be authorized to construct the single state war material factory in four sections, thus modifying article 115 of the Treaty of Trianon, on condition that the Hungarian Government furnished a written undertaking that the expenses entailed would be met from their ordinary budget and would not be deductible from the reparation annuities payable by them.

Sir A. Chamberlain to the Marquess of Crewe (Paris)

No. 3185 [C 11795/436/18]

FOREIGN OFFICE, *November 15, 1926*

My Lord Marquess,

With reference to my despatch No. 3109¹ of the 5th November, I transmit to your Lordship herewith a copy of a letter² from the War Office enclosing copies of General Wauchope's notes Nos. 71 and 72 of the 2nd and 3rd November respectively regarding the position of the military control question in Germany.

2. You will observe that in his notes No. 71 General Wauchope expresses the emphatic opinion that, if satisfactory progress is to be made in the final settlement of German disarmament, the Control Commission must be given clear and categorical instructions as to the line they are to take in the future both in general and in respect of each individual point. As regards the individual points General Wauchope suggests that the commission should be given exact lists not only of the demands which the Ambassadors' Conference still wish the commission to enforce, but also of those questions on which no further demands need be addressed to the German Government.

3. I am in full agreement with General Wauchope's view, and I request that you, when in due course presenting the British proposals to the conference, will lay particular stress on the above points (marked (a), (b) and (c) in General Wauchope's notes No. 71). A further matter which you should invite the conference to decide is whether the Control Commission should be instructed to communicate to the German Government without delay a list of the concessions decided on, or whether the communication of that list should be held up and used as a means to induce the German Government to accept the remaining demands. My own view inclines to the former alternative, as I am strongly disposed to doubt whether the German Government will be prepared to show good-will in completing the outstanding points unless they are given some clear and positive proof, with which they can meet their critics in Germany, that the ex-Allied Governments are themselves animated by a spirit of good-will and accommodation in this question. Recent reports indicate that the German Government will be subjected to strong criticism from many quarters in Germany for their failure hitherto to bring Allied control to an end, and I consider that the ex-Allied Governments would only be serving their own interests by giving the German Government the assistance I have indicated and so making it easier for them to carry out the points to which importance is still attached.

I am, &c.,

(For the Secretary of State)

C. HOWARD SMITH

¹ No. 275.

² This formal covering letter is not printed.

ENCLOSURE I IN No. 287

Notes No. 71 by Major-General A. G. Wauchope CB, CMG, CIE, DSO

Secret

BERLIN, *November 2, 1926*

I understand it is probable that instructions will be sent from Paris to this Commission of Control regarding the attitude to be adopted by the members of the Commission in the final phase of their work.

Having served on this Commission for over two years, and having put forward certain suggestions (which proved abortive) last Spring with a view towards ending Control in Germany,³ I venture to submit the following suggestions regarding the above Instructions, prefacing these suggestions with a few remarks on the general attitude of the Council of this Commission in carrying out the last phase of their work of Control.

This Commission is an executive body, and has no power or right to act except in accordance with the instructions it receives from the Council of Ambassadors through the C[omit ] M[ilitaire] A[lli  de] V[ersailles].

In the F.O. letter to Lord Crewe dated October 18th, 1926,⁴ it is rightly stated that the duties of the Control Commission are confined to ensuring the execution by the German authorities of the demands contained in the Note of June 4th, 1925. The majority of the Council of this Commission interpret this to mean that their duty is to ensure the execution of each of those demands, and that except for very minor concessions, any alleviation towards the German Government in respect of the demands contained in the Note of June 4th, 1925, can only be granted by the Council of Ambassadors and not by this Commission.

In the past the majority of this Council have been only too willing to accept the narrowest limitations of their duties in this direction. You know very well how constantly I have had to fight in order to persuade my colleagues to agree to such minor concessions as have led to the settlement of nearly all questions affecting armament. The reluctance of my colleagues to grant concessions in regard to Effective questions springs from a number of causes of which I draw your attention to three, since these three must be borne in mind when the Instructions are being sent from Paris:

- (1) The fact that such concessions are contrary both to the letter and to the spirit of the Allied Note of June 4th, 1925.
- (2) The fact that the concessions proposed by the British Delegation last Spring were not accepted in Paris.
- (3) The fact that the willingness of this Commission to accept the German proposals as regards the increase of numbers in the Police was disregarded, and the concession definitely refused in Paris.⁵

I submit therefore that the Instructions which to carry due weight must have the full authority of the Council of Ambassadors should include:

- (a) A clear statement that the situation today is not as it was in June 1925, and that in dealing with the German authorities every effort should

³ See Volume I, No. 197.

⁴ No. 258.

⁵ See No. 85, note 2.

be made by this Commission to reach agreement on outstanding questions, if necessary by making concessions on non-essential points.

- (b) An exact list of the demands contained in the Allied Note of June 4th, 1925, which the Council of Ambassadors still wish the Commission of Control to enforce.
- (c) An exact list of those questions on which no further demands need be addressed to the German Government.

In certain cases, such as the question of increase in the numbers of Police Effectives, this can be done most clearly and simply by stating that the German proposals can be accepted.

This Commission might further be instructed:

- (i) either to communicate the list of concessions (c) without delay, so as to show the clear intention of the Allied Governments to reach a quick and final settlement.
- (ii) or the communication of this list might be held up and used as a means to induce the German Government to accept the demands on list (b).

Such a communication, if delivered without delay, would go far to make it easier for the German Government to adopt a more conciliatory attitude towards the few remaining questions, and so assist the object common at least to both the British and the German Governments of ending control with the least delay possible.

On the other hand, it may be urged with much force that instead of communicating this list of concessions to the German Government at once, it would be more advisable after agreement has been reached among the Allies in Paris, and List (c) compiled, to make a bargain with the Germans and inform the German representative that the concessions on List (c) will be granted on condition that they carry out the demands mentioned on List (b).

Whatever may be decided in regard to that procedure, I trust the Instructions sent to this Commission may be very definite and open only to one interpretation.

As it is the duty of the reaper to reap, of the Jew to exact his pound of flesh,⁶ or of the Treasury Official to save, so it is the task of an officer of a Commission of Control to enforce the demands made by la haute Assemblée in Paris. Consequently when that High and August Body wishes its executive organ in Berlin to adopt an attitude consonant to the year 1926 then it must metaphorically give that organ so well directed a kick as will speed it on its way, if not rejoicing, at least with understanding.

These instructions must be clear, concise, uncompromising.

In view of the letter⁷ dated 26th October, 1926, from General von Pawelsz to this Commission on the subject of the re-organization of the Reichswehrministerium (which letter was forwarded to you under my No. 1/War Office/229⁷ of 29th October) I shall be glad to be informed if it would now be

⁶ The allusion was to *The Merchant of Venice* by William Shakespeare.

⁷ Untraced in Foreign Office archives.

in accordance with your views if I adopted the attitude in this Council that General von Pawelsz's letter can be accepted and no further demands on this question are now necessary, also that no objections should be raised to the presence of the four transport officers. In my opinion the letter of General von Pawelsz can be considered satisfactory. Until I hear from you, however, I will not oppose the majority in Council should they propose further action in this matter.

A. G. WAUCHOPE

ENCLOSURE 2 IN No. 287

Notes No. 72 by Major-General A. G. Wauchope, CB, CMG, CIE, DSO

Secret

BERLIN, November 3, 1926

Dr. Stresemann had told a friend of mine, Dr. Eichberg, a leading Industrialist, that he would like to meet me as it was some time since we had had a meeting. I therefore lunched today with Dr. Eichberg, Dr. Stresemann being the only other guest.

We talked from 1 o'clock to a quarter to four, at first on general matters but latterly, on the initiative of Dr. Stresemann, on questions dealing with Control.

Dr. Stresemann first spoke on the subject of Associations for at least ten minutes without stopping. His argument was that the important Associations existed solely as a safeguard against Communism, and the Reichstag would not tolerate his attempting to restrict their activities any further.

I replied that, speaking as a soldier, I did not consider the Associations were of any great military importance.

He then spoke of the Concrete Shelters round Königsberg and Glogau, and said that the German lawyers maintained that Germany had the right to construct such shelters.

I said it was a matter for the lawyers but, speaking as a soldier, I did not attribute any first class importance to the shelters which we had inspected.

Dr. Stresemann then asked me if the question of Higher Command could be considered as finished.

I replied that last week I would have been glad to answer him in the affirmative, but the promotion of General Heye⁸ had somewhat complicated matters.

Dr. Stresemann said he would like to explain to me how this had arisen. He had been very fearful as to the affect [*sic*] on public opinion regarding the retirement of General von Seeckt, though I gathered from what he said that he himself was very glad von Seeckt had retired. He said the natural successor of von Seeckt would have been either von Lossberg or von Reinhardt—the two Gruppen Kommanders—but the one was a Wurtenberger [Wurtemberger], and Prussia and the other States would not have accepted the appointment of any Wurterberger [*sic*]: the other had Monarchist tendencies,

⁸ The promotion of Lieutenant-General Heye, Chief of the Army Command, to General of Infantry had recently been announced.

which rendered his appointment impossible. General Heye was therefore appointed.

Generals von Lossberg and von Reinhardt then stated they could not serve under an officer who was junior to them in rank and threatened resignation. If these two officers had resigned at the same time as General von Seeckt, Dr. Stresemann feared that public opinion would not have remained quiet; consequently the only thing to do was to promote General Heye.

Dr. Stresemann said he feared that this was causing uneasiness in Paris, but hoped it would not in London.

He then passed on to the subject of import and export of arms,⁹ and said he was pleased to learn that we had reached agreement on so many points, but he could not understand why we would not accept the German proposal as regards Pistols.

I said I thought that no difficulties would arise on this point, as we were willing to meet the German contention on this item and, as far as possible, on the few remaining items which had not yet been definitely settled. In fact I told him I thought there would be no great difficulty on any items, except items 56 and 57, dealing with the export and import of machinery (tools) and half worked raw material, on which points the Commission had already stated to the German representatives they were prepared to make considerable concessions.

Dr. Stresemann said he had been informed that the French considered that our reluctance to accept the German standpoint was due to the fears of British manufacturers of German competition.

I replied that I knew nothing whatever about that but, speaking as a soldier, I considered that these two items were of essential importance from a military point of view, and that I knew the French were in complete agreement with me on this matter.

After this discussion, during which I informed Dr. Stresemann that Lord D'Abernon had taken up the same standpoint as myself in conversation with Dr. Forster, Dr. Stresemann appealed to Dr. Eichberg whether the standpoint of the German industrialists was really essential. Dr. Eichberg, to my surprise, took my point of view, stating that the whole matter from an economic point could not be very large. This I said was exactly the standpoint that Lord D'Abernon had put forward. I remarked again that, speaking as a soldier, I thought it would be impossible for us to give way any further than we already had on these two points.

Dr. Stresemann was evidently much impressed and said he would immediately have a further talk with Dr. Forster and General von Pawelsz on this matter, and would let me know the result.

Dr. Stresemann then spoke about the Police question. He said that in the past he had hoped to induce the various States of Germany to accept the reduction in the numbers of Police now demanded by Germany, but he found the States were very difficult to deal with and that it was most important if the Allies would accept the German proposals. I said I could not

⁹ Cf. Appendix (A) to Enclosure in No. 275.

answer to that but I was prepared to inform my Government that, speaking as a soldier, I did not consider it would be dangerous to accept the German proposals.

Dr. Stresemann said he was very anxious that at the Conference to be held in Geneva next December all questions of Control should be settled and a decision taken for the withdrawal of the Control Commission. He said he was going to instruct the German Ambassador in London to inform Sir Austen Chamberlain that if these questions were to remain indefinitely unsettled, it would be impossible for him (Dr. Stresemann) to maintain his position in the Government.

I said I considered that this Commission had made very considerable concessions, especially in the domain of Armament, and that they were prepared to make further concessions, provided the German representatives reciprocated, and I was of opinion that nothing would [? so] accelerate agreement on outstanding points and the completion of the work of this Commission of Control as the German acceptance of our point of view on items 56 and 57.

Before leaving, Dr. Stresemann, who had hitherto spoken very earnestly, laughed and said 'There really doesn't seem anything very much to prevent agreement, but your friends must give us the Police we want', and also laughing said 'Well then you must not ask to import any war material'.

Dr. Eichberg told me that Dr. Stresemann wished to have this conversation because General von Pawelsz and his predecessor, Dr. Moraht, both told him that they had always found me perfectly straightforward.

Dr. Eichberg added that Dr. Stresemann had been very glad to hear from me that I knew that both the British War Office and Foreign Office were most anxious not only to end the Commission of Control, but also to settle all vexed questions connected with Control with the least possible delay.

A. G. WAUCHOPE

No. 288

Sir A. Chamberlain to Sir R. Graham (Rome)

No. 1581 [C 11821/2941/22]

Confidential

FOREIGN OFFICE, *November 15, 1926*

Sir,

I have read with interest the statement in Your Excellency's telegram No. 231¹ of the 10th November that you have been endeavouring privately to induce Monsieur Mussolini to make some public utterance of a friendly nature towards France, as such action would produce a very calming effect in Italy, and I entirely approve your action in this matter.

2. I enclose herein a copy of a despatch from His Majesty's Ambassador in Paris² reporting a conversation between Lord Crewe and Monsieur Briand upon the present state of Franco-Italian relations, and you will observe that Monsieur Briand suggests that it might be desirable for me to speak to the Italian Ambassador in London on the subject.

¹ See No. 282, note 4.

² Paris despatch No. 2106 of November 9 is not printed.

3. I have not felt able to comply with Monsieur Briand's wishes in this respect, and I have explained to him privately the reasons which have led me to adopt this attitude. I feel that there is considerable danger in my intervening with advice to Monsieur Mussolini too often, and that in this question, which is after all one affecting solely the relations of France and Italy, I consider that it would be wiser for me, for the present at any rate, to preserve silence.

I am, &c.,
(For the Secretary of State)
C. HOWARD SMITH

No. 289

Sir R. Graham (Rome) to Sir A. Chamberlain (Received November 17, 9 a.m.)
No. 237 Telegraphic [C 12092/2941/22]

Confidential

ROME, November 16, 1926, 9.35 p.m.

My telegram No. 231¹ and my despatch No. 968.²

I spoke to Signor Mussolini last night about Franco-Italian relations. He told me the gist of his interview with Sauerwein of 'Matin' which is published this morning adding that he intended in the near future to make conciliatory speech in the Senate or Chamber. He had muzzled his own press which was submitting in silence to attack on Italy in the French papers. There would be no recurrence of disagreeable incidents as he had ordered troops and carabinieri³ to fire without hesitation in case of any aggression on foreign consulates. There might be irritation and bickering between the two countries, but any idea of these degenerating into a conflict was absurd. Only outstanding question which caused him serious misgiving was that of Tunis as public feeling here could not contemplate the surrender of so many Italian subjects. But some arrangement ought to be reached. Signor Mussolini says: 'If French were ready to make concessions in regard to Syria or to give Italy a free hand in Eastern Mediterranean the Tunis question would assume a different aspect. It was obvious that if Italy could not expand in the West she must do so in the East'. His Excellency passed rapidly to other subjects and I did not recur to his remark above reported for fear of appearing to give encouragement. But this is the first indication I have had that Signor Mussolini was interested in Syria.⁴

¹ See No. 282, note 4.

² No. 282.

³ Italian gendarmes.

⁴ In a letter of November 22 to Lord Crewe Sir A. Chamberlain cited the following extract from a letter of November 19 from Sir R. Graham regarding this conversation of November 15 with Signor Mussolini: 'His attitude reassured me a good deal, at least as regards the internal situation, for whoever else here may have lost their heads on this subject he certainly has not. My impression is that having secured these extensive powers he means to use them sparingly and only in case of necessity. Also, they may well be just as useful to him against the extreme elements of his own party as against political opponents.' Sir A. Chamberlain commented: 'My chief concern about the tension of opinion between France and Italy is lest it should drive Italy into the arms of Germany. This is a possibility of which I am sure that Briand is well aware, and of which the French Government ought to take account in deciding their attitude.'

The Marquess of Crewe (Paris) to Sir A. Chamberlain
(Received November 18)

No. 2174 [C 12102/436/18]

PARIS, November 17, 1926

Sir,

I have the honour to transmit to you, herewith, copy of the reply which I have received from the French Government to the note which I addressed to them in accordance with the instructions contained in your despatch No. 3109¹ (C 11460/436/18) of November 5th on the subject of German disarmament. I presume that it will not be possible to take any further action pending the receipt of the communication foreshadowed in paragraph 3 of the abovementioned French note.

2. When I was seeing Monsieur Briand on other matters on the 15th of November, he made one or two observations on the question of control, mentioning his conversation of the previous day with the German Ambassador. I cannot help thinking that the German Minister for Foreign Affairs gave a rather sanguine account of this to Sir R. Lindsay, as described in Berlin telegram No. 306.² Its tone was no doubt entirely satisfactory; and Monsieur Briand undoubtedly holds the belief that the questions outstanding are capable of solution by further conversations. But he undoubtedly looks for some yielding on the German side before the Commission of Control can be withdrawn.

3. At the same time it is important to note that Monsieur Briand is most unwilling to hand over any disputed matters to the new control by the League of Nations if this can possibly be avoided. As he put it to me, in military matters the Germans would take much more from the Commission of Control than they would from a body representing the League of Nations. I replied that the Ambassadors' Conference certainly would not refuse to take the burden of this disagreeable job on its shoulders, as we frequently had in the past.

4. The one matter mentioned in the General Staff memorandum on which Monsieur Briand spoke at some length and with evident conviction was that of Associations, on which he believed that the Germans would agree to terms which would entirely remove their military character.³

I have, &c.,
CREWE

¹ No. 275.

² No. 280.

³ In his despatch No. 2173 Lord Crewe had transmitted a record by Mr. Holman of a conversation on November 17 with M. Massigli who referred to the French note and 'pointed out that the French Government agreed with His Majesty's Government that the necessary instructions should be sent to the Commission of Control for dealing with the outstanding questions, and that it was not their intention to invite the German experts to Paris. . . . As regards the police question he admitted that it might be possible to make some concessions to the Germans. . . . During the conversation Monsieur Massigli constantly

M. Briand to the Marquess of Crewe

PARIS, le 16 Novembre, 1926

Le 9 Novembre dernier, Son Excellence l'Ambassadeur d'Angleterre a bien voulu remettre à M. Briand⁴ un aide-mémoire développant les vues du Gouvernement britannique sur les mesures qu'il conviendrait d'adopter pour hâter l'achèvement des opérations de la Commission de contrôle; à cet aide-mémoire était joint un mémorandum de l'Etat-Major général britannique, dont les conclusions, qui ont l'adhésion du Gouvernement de Sa Majesté, tendent en ce qui concerne certains des points qui demeurent encore en suspens, à ne pas insister pour obtenir satisfaction ou à se contenter de satisfactions incomplètes. Toutefois, avant de saisir de la question la Conférence des Ambassadeurs Lord Crewe, conformément aux instructions reçues de son Gouvernement, a désiré s'assurer que les propositions britanniques seraient favorablement accueillies par M. Briand et que la Délégation Française les appuierait devant la Conférence.

Le Ministre des Affaires Etrangères est d'accord avec le Gouvernement britannique pour estimer qu'il est désirable, dans l'intérêt de la politique de conciliation à laquelle les deux Gouvernements sont attachés, que la Commission militaire interalliée de contrôle puisse être retirée aussitôt que sa tâche pourra être considérée comme achevée et que, dès ce moment, la Société des Nations se voie chargée, conformément à l'article 213 du Traité de Paix, du soin de procéder à toute investigation qui serait jugée ultérieurement nécessaire. A cet égard, M. Briand a constaté avec plaisir l'accord qui existe entre les deux Gouvernements, sur la nécessité, avant le retrait de la Commission, de provoquer, de la part de l'Allemagne, un engagement par lequel elle déclarerait qu'elle n'opposera aucune difficulté aux investigations qui seraient menées par la Société des Nations suivant le plan déjà élaboré, même si les objections formulées du côté allemand à ce plan n'avaient pas encore été examinées par le Conseil; cet engagement devrait, d'ailleurs, être valable, quelle que soit l'issue de cet examen éventuel.

Cependant, le Gouvernement britannique comprendra certainement qu'il est impossible à M. Briand de se prononcer dès maintenant, en toute connaissance de cause, sur le détail des propositions contenues dans le mémorandum de l'Etat-Major général britannique et que le Ministre des Affaires Etrangères doit attendre, avant de le faire, d'avoir pris connaissance des résultats de l'étude à laquelle les Autorités militaires compétentes procèdent d'urgence.

Dès à présent, M. Briand croit devoir formuler des réserves expresses sur l'avis exprimé par l'aide-mémoire, en ce qui concerne la question des associations. Il aurait, en effet, beaucoup de difficultés à admettre, comme le fait le

referred to the Koenigsberg fortifications questions appearing somewhat nervous as to how the question would be dealt with once the Control Commission had been withdrawn.'

⁴ See No. 279.

Gouvernement britannique, que la question peut être considérée comme réglée. Sans doute, la tâche qui s'impose au Gouvernement allemand pour assurer l'application de l'article 177 du Traité de Versailles est d'autant moins aisée que, durant six années, cet article a été constamment violé.

Ce n'est pas une raison pour ne pas demander à l'Allemagne de faire un effort sérieux qui témoigne de sa volonté d'interdire aux Associations de s'occuper de questions militaires. Nous entendons que le Décret qui a été pris à cet égard et promulgué, ne reste pas lettre-morte et soit réellement et loyalement appliqué. Si l'activité politique des Associations ne nous concerne pas, il est essentiel qu'il soit mis un terme à leur activité militaire. C'est un point sur lequel M. Briand a déjà eu l'occasion d'attirer l'attention de M. Stresemann et il ne comprendrait pas que les satisfactions promises ne nous fussent pas accordées.

D'une manière générale, d'ailleurs, si, dans notre souci de conciliation, nous pouvons être amenés à nous prêter à une application libérale du Traité, il ne faut pas oublier, d'autre part, que les manquements dont la Commission de Contrôle poursuit actuellement le redressement ont été reconnus antérieurement comme présentant une importance particulière. Au lendemain de Locarno, le Gouvernement allemand a promis formellement de nous donner à cet égard satisfaction⁵ et nous n'avons pas attendu l'exécution de ses promesses pour évacuer la zone de Cologne. Nous avons ainsi témoigné de notre bonne volonté et nous sommes fondés à attendre de l'Allemagne qu'elle réponde en nous donnant promptement satisfaction à la confiance que nous lui avons faite.

Sous bénéfice de ces observations, le Gouvernement britannique peut être assuré que M. Briand apportera à l'examen de ses propositions, le souci d'entente dont ne cesse de s'inspirer sa politique.

La démarche dont l'Ambassadeur d'Angleterre s'est acquitté auprès de M. Briand ayant été également faite à Rome et à Bruxelles, copie de la présente note est communiquée aux Gouvernements belge et italien.

A. BRIAND

⁵ See the German note of October 23, 1925, printed as Item No. 1 in Cmd. 2527 of 1925.

No. 291

*Letter from Sir R. Lindsay (Berlin) to Mr. Sargent
(Received November 19)*

[C 12171/436/18]

Private

BERLIN, November 17, 1926

Dear Sargent,

I cannot say that I have yet got my feet in German affairs, but it seems to me that we are going to fail to settle Military Control questions by the end of the year. If we had only to deal with the problems handled here and in Paris, such as police, Heeresleitung, manufacture, export and import of [war] material

and such like, we should and probably would come to terms with the Germans, but behind that comes the question of what is to take the place of the present Interallied Commission and the British members of it tell me that nothing will ever induce the French to accept the suggestion put forward in your despatch to Lord Crewe,¹ viz. to proceed in the method adopted for bridging the gap in the matter of air control. On the other hand the Germans are unlikely to agree to anything more drastic than your suggestion. For a few days the papers talked rather jubilantly about the imminent abolition of the Control Commission; but yesterday 'Germania' (a Center paper) had a little note about the League scheme ending up with the view that rather than accept anything remotely resembling it in its present form, Germany would prefer another five or six years of the present Interallied Commission. As for Stresemann, I doubt if this prospect alarms him much *for the moment*. He seems to have arranged matters with the Socialists and feels safe for the time being; and I do not suppose that as regards his position in the Reichstag he need ever bother to look more than a few weeks ahead.

I have wondered whether the Germans do not really prefer that it should be so, arguing to themselves that both France and England wish to get rid of the troubles created by Interallied Control; that delay therefore operates in their favour; and that by standing out for a year or two they may get Interallied Control abolished and no International Control at all substituted for it. I am told here that this speculation is ill founded, in that the Germans are very strongly desirous indeed to see the last of the Interallied Commission. This may well be so, but it seems to me that its continuation, with the prospect of perpetual bickerings is hardly less agreeable to ourselves.

Yours sincerely,

R. C. LINDSAY

¹ See No. 275.

No. 292

Sir A. Chamberlain to Sir G. Grahame (Brussels)

No. 858 [C 12178/10060/18]

FOREIGN OFFICE, November 19, 1926

Sir,

Baron Moncheur¹ informed me to-day that since the first exchange of views between M. Vandervelde and M. Briand on the Thoiry conversations and the memorandum on Belgian *desiderata* which M. Vandervelde had communicated to M. Briand and also to us,² the Belgian Government had received a further memorandum from M. Briand expressing his preference for the continuation for the present of the conversations *à deux*.

¹ Belgian Ambassador in London.

² For this memorandum of October 23, communicated to the Foreign Office on November 13, see Ch. De Visscher and F. Vanlangenhove, *Documents Diplomatiques Belges 1920-1940* (Brussels, 1964), vol. ii, pp. 392-4 and 413-14. *V. ibid.*, pp. 370-412 *passim*, for Franco-Belgian exchanges regarding the Thoiry conversations.

I said that I viewed these conversations with the greatest goodwill and without any jealousy, but I had informed both M. Briand and Dr. Stresemann that they must not base any agreement upon a new preference to the disadvantage of other interested parties, and that as I should be afraid of the consequences which would follow if they became deeply engaged in a scheme which proved unacceptable to the other interested parties, I hoped they would take the rest of us into their confidence at a very early stage.

Baron Moncheur said that it would appear that the project of a partial mobilisation of the railway bonds was difficult, if not indeed impossible of realisation, and that this might be an obstacle to progress in other directions, such as the termination of the Inter-Allied Military Control and the shortening of the period of occupation.

Upon this I observed that there were really three separate matters that required our attention. The first was the Inter-Allied Control which His Majesty's Government were most anxious to get rid of at the earliest possible moment. I fully recognised that the only reason why it still continued lay in the failure of the German Government to carry out the conditions to which they themselves had agreed in Paris; but the outstanding matters appeared to us to be of little or no intrinsic importance. Germany was already effectively disarmed, and whether she had a few more police or not and whether unauthorised organisations existed or had an illicit connection with the military did not really affect our security, whilst the continuation of a foreign body in the German polity was a constant source of irritation and impeded the progress of that reconciliation which had been the object of the new departure made at Locarno. It was, therefore, in our own larger interests and not out of any sympathy with German procrastination, or even with the particular German demands, that we pressed that the control should be brought to an end, notwithstanding the *lâches*³ of the German Government.

The second question at issue was the number of troops retained in the second and third zones. I found it very difficult to ascertain what exactly were the numbers of French troops in those areas at the crucial dates, but I was glad to think that here at any rate M. Vandervelde agreed with me that there were too many troops at this moment, and that their numbers ought to be further reduced.

Lastly, there was the question of the duration of the occupation. The occupation, I observed, in so far as it gave us security gave us it for a period in which there was no possibility of German attack. We could not in any circumstances maintain it long enough to be of use against such a contingency. As long as it continued, it inevitably gave rise to incidents which might at any moment inflame passion and, having once embarked on a policy of conciliation, I thought that it was really our interest to bring the occupation to a close as soon as we could. I recognised, however, that we could not press the French Government too hard upon this issue. French opinion was

³ i.e. the power to plead that claimants had forfeited their rights in equity to present their claims as a result of excessive delay in instituting legal action.

sensitive and required some *quid pro quo* for what was in any case a sacrifice of treaty rights, and appeared to them to be a sacrifice of some consequence. I hoped that it might be possible to find a satisfactory solution, but I did not anticipate any early development.

Baron Moncheur referred to the rumours that the Kaiser might return to Germany, and asked if we had made any representations to the Germans on the subject. I replied in the negative, and added that personally I thought such a return unlikely. I had the impression—derived I thought from public utterances in Germany—that the German Government had no intention of allowing the ex-Kaiser to return. In any case, if there were ever a restoration of the Hohenzollerns, I did not myself think it was likely to be in his person. Indeed, I thought his return would be an embarrassment even to his own party rather than a help to them.

I am, &c.,

AUSTEN CHAMBERLAIN

No. 293

Sir A. Chamberlain to Sir R. Lindsay (Berlin)

No. 130 Telegraphic [C 12102/436/18]

FOREIGN OFFICE, *November 22, 1926, 2.25 p.m.*

Your telegram No. 306¹ (of the 11th November: Termination of military control in Germany).

The German Ambassador has informed Sir W. Tyrrell that the German government are about to address a note to the Ambassadors' Conference to press for the removal of military control. Sir William replied that His Majesty's Government were as anxious as the German government to clear up the disarmament question as soon as possible and were making every effort to expedite this policy, and he expressed the fervent hope that the German government would strengthen their plea by satisfying the Ambassadors' Conference in respect of outstanding questions.²

Meanwhile the French government have replied to our general proposals, (see my Despatch No. 1437).³ Their note,⁴ a copy of which is on its way to you, is at best non-committal and it is clear that without some further measure of satisfaction the French will hold out against any early withdrawal of the Control Commission. They lay particular emphasis on the question of associations and, though I have successfully resisted further official representations being made on this question by the Ambassadors' Conference, I am convinced that the German government would greatly facilitate progress if they were to deal with this question with greater resolution. The

¹ No. 280.

² In his record of this conversation on November 18 Sir W. Tyrrell had added: 'His Excellency assured me that, with the exception of unimportant details, his Government would be in a position to do so.'

³ See No. 277, note 2.

⁴ Enclosure in No. 290.

French argue that the decree of February 12th, 1926, has remained a dead letter and they are of course confirmed in their view by the opinion of the legal adviser to the Control Commission (see my despatch No. 1351).⁵

Please take an early opportunity to see Dr. Stresemann and impress upon him the advantage, in the interests of us all and particularly of the German government themselves, of accompanying their forthcoming request to the Ambassadors' Conference with a clear indication that they for their part are taking the necessary measures to give the Conference satisfaction in all outstanding points, more especially in regard to military associations.

Addressed to Berlin No. 130. Repeated by bag to Paris No. 267, Brussels No. 82 and Rome No. 266.

⁵ Not preserved in Foreign Office archives. This despatch of October 22 transmitted to Berlin copies of No. 258 and of Paris despatches Nos. 1914-16 and 1921 (see No. 257, notes 3-6 respectively).

No. 294

Sir A. Chamberlain to the Marquess of Crewe (Paris)

No. 3249 [C 11938/436/18]

FOREIGN OFFICE, *November 22, 1926*

My Lord Marquess,

With reference to Section 2 of your telegram No. 396¹ of the 13th November, I observe that during the discussion in the Ambassadors' Conference regarding the construction of fortifications on the eastern frontiers of Germany, Monsieur Massigli drew attention to the final paragraph of your Lordship's declaration at the conference on May 30th, 1925. That paragraph was to the following effect: 'I am instructed to invite the Conference to interpret this sentence to mean that any new default liable to cause delay in the evacuation must be one of demonstrably grave importance, and that, as soon as the default in question is remedied, it will not serve as a reason for delaying further the evacuation'. The sentence to which reference was made in the above declaration was the following paragraph of the note which was to be addressed to the German Government on the subject of the outstanding questions of military control and the evacuation of the Cologne zone: 'Ils ne doutent pas en effet que pendant la période nécessaire à l'exécution des redressements dont il s'agit, nul manquement nouveau sérieux de l'Allemagne à aucune des obligations que lui prescrit le Traité² ne viendra faire obstacle au jeu de l'Article 429 (10)'.³

2. Monsieur Massigli's suggestion clearly was that there is a discrepancy between the view of His Majesty's Government as expressed in your declaration above-quoted and that expressed in the memorandum communicated by you to the Ambassadors' Conference on November 10th.⁴

3. There is in fact no such discrepancy. Your declaration of May 30th 1925 referred solely to the evacuation of the Cologne zone, the legal position

¹ No. 284.

² Of Versailles.

³ See No. 286.

⁴ See No. 258, note 5.

of which was based on Article 429 of the Treaty. That article reads: 'If the conditions of the present Treaty are satisfactorily fulfilled by Germany, the occupation . . .⁵ will be successively restricted as follows . . .⁵'. The ex-allied powers would clearly have been entitled under that article to delay evacuation if Germany committed a new infraction of the Treaty. My object in instructing you to make the above declaration was to make it clear that His Majesty's Government interpreted the note then being sent to the German Government as meaning that the Allied Governments would not avail themselves of that particular right unless any new default was of demonstrably grave importance.

4. The position as regards the Commission of Control is on an entirely different legal basis. It is governed in the first place by article 203 of the Treaty, which confines the Commission's duties to supervising the execution of the time limit clauses, and in the second place by the note addressed by the Ambassadors' Conference to the German Government on November 16th, 1925, which declared that the Commission would be 'completely withdrawn as soon as it has brought to a satisfactory conclusion the task that remains for it to accomplish'.⁶ What that task is, is explained in the preceding paragraph of the note, i.e. 'to follow and verify the execution of the programme upon which agreement has just been reached, as well as the settlement of those questions enumerated in the first three lists which the Commission has not yet been able to supervise.'

5. I request that you will explain the position of His Majesty's Government in writing to the Ambassadors' Conference on the above lines.⁷ For the rest, you should maintain the general line set out in paragraph 3 of the General Staff memorandum enclosed in my despatch No. 3109⁸ of the 5th November when this question is further discussed.

I am, &c.,

(For the Secretary of State)

C. HOWARD SMITH

⁵ Punctuation as in original quotation.

⁶ See Cmd. 2527 of 1925, p. 14.

⁷ Lord Crewe transmitted in Paris despatch No. 2226 his memorandum of November 23 to the Conference of Ambassadors to the above effect.

⁸ No. 275.

No. 295

Sir A. Chamberlain to Viscount Chilston (Vienna)

No. 453 [C 12266/96/3]

FOREIGN OFFICE, *November 22, 1926*

My Lord,

The Austrian Minister called to-day to express the hope that it might be possible to find a place for an Austrian representative on one of the more important Committees of the League. In particular his Government would desire representation on the Economic Committee, since they were specially interested in tariff problems. I told Monsieur Franckenstein that I could

make no promise on the subject, which could only be discussed and settled at Geneva, but now that League control over Austrian finances had been ended I should be glad if it were possible to associate Austria more actively in the work of the League.

I then drew his attention to the discovery of concealed stores of arms and machinery at the Steyr Werke.¹ I said that I should not have sent for him specially on this account, but as he had come to me on another matter I took the opportunity of saying something about it which I hoped he would transmit to his Government. It had been the desire of the British Government to get the military controls terminated as early as possible, but their efforts must be frustrated if by the connivance or impotence of the Austrian Government such gross breaches of the Treaty² were permitted. If we desired to continue the control, I should have said nothing to him but merely noted the incident in my own mind in case the Austrian Government should approach us with the request that the control should be ended. It was because we ourselves desired to see the control ended that I felt so strongly about this incident and begged that he would point out to his Government how impossible it was to make progress if such things were allowed

[I am, &c.,]

A[usten] C[hamberlain]

¹ Colonel Salter, British Delegate to the Organ of Liquidation for Austria, had on November 11 sent to the War Office a list of the most important items of war material found at the Steyr factory on October 28. These items included 460 tons of rifle and machine gun parts.

² Of St. Germain.

No. 296

The Marquess of Crewe (Paris) to Sir A. Chamberlain
(Received November 24)

No. 2223 [C 12329/436/18]*

Confidential

PARIS, November 21 [23], 1926

His Majesty's representative at Paris presents his compliments to the Secretary of State for Foreign Affairs, and has the honour to transmit herewith copy of a note by the secretariat-general of the Ambassadors' Conference, dated the 19th November, respecting military control in Germany.

ENCLOSURE IN No. 296

Note du Secrétariat général: Désarmement de l'Allemagne

Le 19 novembre 1926

M. Forster, de la Wilhelmstrasse,¹ est arrivé hier soir de Berlin et a rendu visite cette après-midi au Secrétaire général de la conférence.

Il a exposé à M. Massigli qu'il était venu à Paris pour tâcher de hâter le

¹ i.e. the German Ministry of Foreign Affairs.

règlement des questions qui se posent encore entre la Commission de Contrôle et le Gouvernement allemand. M. Massigli lui ayant demandé quelles étaient, d'après lui, ces questions, M. Forster les a énumérées comme suit:

1. Fabrication et exportation de matériel de guerre.
2. Aliénation des anciens établissements militaires.
3. Incorporations illégales.
4. Police.
5. Forteresses de l'est.
6. Associations.

Il paraissait au Gouvernement allemand, a-t-il ajouté, que le règlement de ces différentes affaires serait hâté par une négociation directe à Paris.

M. Massigli a tout de suite indiqué à son interlocuteur qu'il ignorait entièrement le sentiment de la conférence sur ce sujet, qu'il croyait que, d'une manière générale, elle inclinait à penser qu'un règlement rapide ne pourrait, au contraire, être obtenu que par des négociations avec la Commission de Contrôle sur place; en particulier, les questions 1 et 2 ne pouvaient évidemment être traitées qu'à Berlin, de même pour la *question 4*.

En ce qui concerne le *point 3*, M. Cambon avait exposé à M. von Hoesch les préoccupations de la conférence et lui avait demandé les précisions d'ordre juridique que nous attendions.

Quant au *point 5*, il fait, à l'heure actuelle, l'objet d'un examen juridique.

Restait le *point 6*, dont la nature est un peu particulière et au sujet de laquelle la conférence avait voulu éviter de prendre position jusqu'à maintenant.

M. Forster a reconnu qu'en effet sur les questions 1 et 2 une conversation à Paris serait sans objet; que, sur la *question 1*, les pourparlers se poursuivaient activement à Berlin, et que, sur la *question 2*, ils allaient commencer incessamment. Sur la *question 3*, il a assuré que le problème qui préoccupait la conférence avait été étudié à Berlin avant que ne fût rédigé le projet d'ordonnance et que les juristes avaient estimé que l'intervention d'une loi était inutile.

Sur la question qui lui a été posée à cet égard, il a assuré qu'il n'aurait pas de difficulté à remettre, pour être communiquée à notre Comité de Rédaction, la consultation juridique établie à Berlin. Par contre, M. Forster voudrait parler à Paris des questions 4, 5 et 6.

En ce qui concerne la *question 4*, il admet que le problème des effectifs crée des difficultés, mais que, s'il est résolu, on pourra rapidement à Berlin régler, avec la Commission de Contrôle, les divers points en suspens au sujet de la police. Par contre, il insiste pour résoudre d'urgence avec M. Wagner,² qui l'a accompagné à Paris, la question des effectifs.

Sur cette question de principe, et après avoir marqué qu'il ignorait les sentiments de la conférence, M. Massigli a dit qu'il serait peut-être possible d'envisager une conversation directe.

M. Forster a alors parlé des *forteresses de l'est*. Il lui a été dit que l'affaire faisait encore l'objet d'un examen juridique qui ne serait pas achevé avant

² A Ministerial Counsellor in the German Ministry of the Interior.

plusieurs jours (M. Fromageot est absent de Paris jusqu'au milieu de la semaine prochaine et il ne pourra réunir qu'après cette date ses collègues alliés). Le délégué allemand a marqué alors qu'il souhaiterait vivement que, une fois cet examen juridique achevé du côté allié, cette affaire pût être reprise dans son ensemble à Paris.

Sur le *point 6*, M. Massigli a rappelé à M. Forster que la conférence avait précisément évité de formuler aucune opinion et avait seulement marqué le désir d'attendre le résultat de l'action que le Gouvernement allemand avait entreprise. Il a ajouté qu'il ignorait si la conférence serait disposée à discuter cette affaire directement. Par contre, parlant à titre français, il tenait à dire à ce que son Gouvernement y attachait une sérieuse importance; il n'aurait donc aucune difficulté, si tel était le désir de M. Forster, d'en causer avec lui sans engager en aucune manière les autres délégations.

M. Forster a exprimé le désir que sa démarche fût portée à la connaissance de la conférence et d'être informé, à bref délai, des suites que celle-ci croirait pouvoir lui donner.

No. 297

Memorandum by Mr. Sargent respecting League Investigations under Article 213 of the Treaty of Versailles

[C 12565/681/18]

FOREIGN OFFICE, November 23, 1926

The history and present position of this question are set forth in the two departmental memoranda attached.¹ The consideration of the majority and minority reports regarding the possibility of permanent resident investigating commissions in the Rhineland (see para. 10 of the memorandum of February 18th)² still remains on the agenda of the Council, but has never been discussed. It was tacitly adjourned at the September meeting of the Council on the suggestion of the French and will re-appear on the agenda of the December meeting. We do not know what attitude the French and Germans are going to adopt as to its discussion. As regards the Germans, Sir Eric Drummond has gathered from conversations with the German Consul at Geneva that the Germans do not want to have to formulate their objections at the December meeting. On the other hand M. Stresemann has told H.M. Ambassador at Berlin that he does not see why the questions of the League scheme and the withdrawal of the Commission of Control should not be settled at Geneva.³ As for the French they have not mentioned the subject to us since last August,⁴ but M. Briand will no doubt raise it at his forthcoming meeting with the Secretary of State in Paris.

¹ Not attached to filed copy. The memoranda in question were evidently (a) that of February 18, 1926, referred to in Volume I, No. 205, note 8; (b) a memorandum of November 22 by Mr. Troutbeck taking account of developments since February 18.

² This paragraph corresponded to paragraph 7 of No. 205 in Volume I.

³ See Dr. Stresemann's remarks reported in No. 280.

⁴ See No. 135.

As long as there is any prospect of a general Franco-German arrangement on the Thoiry lines, it will be in the interest of both the French and German Governments to postpone discussion of this particular question at the Council in the hope that it may form part of some general scheme of mutual concessions. The only reason why we should wish to get the matter settled quickly is that so long as it remains in suspense, the French are always inclined to delay the withdrawal of the Commission of Control so as to avoid the hiatus which will occur after withdrawal of the Commission and before the League scheme is in operation.

Now the League scheme is drawn up to meet two entirely distinct requirements

(1) the necessity of supervising the observance of the disarmament clauses of the Treaty (Articles 59 to 180) which are now supervised by the Allied Commission of Control, and

(2) the necessity, now that the Cologne zone has been evacuated, of supervising the observance of the clauses providing for the demilitarisation of the Rhineland (articles 42 to 44).

In order, therefore, to get rid of the difficulty of the 'hiatus' it is essential that the League scheme should be got working without further delay, at any rate as regards the disarmament clauses of the Treaty, and it might be worth while considering whether it would not be possible to arrange with the French and Germans to agree on the League scheme being applied forthwith as regards the disarmament clauses, without prejudice to the objections which have been raised as regards its application to the demilitarisation clauses.

The objections which have been raised to the League scheme fall into the following categories:—

(1) The German Government object to the League scheme being applied at all in the case of the demilitarisation clauses (it is doubtful, however, whether they will be able to maintain this objection now that the Locarno Treaty is in force);

(2) H.M.G. and the German Government object to the setting up of permanent resident commissions in the Rhineland for the supervision of the demilitarisation clauses;

(3) The German Government object to certain of the powers and immunities which according to the scheme the investigating committees are to enjoy when supervising the observance of both the disarmament and demilitarisation clauses.

This means that only one of the German objections, i.e. No. 3, and that the least difficult of settlement, applies to the supervision of the disarmament clauses. If agreement with the Germans were reached on this point, there would be no reason why the League scheme should not forthwith be put into force as regards the disarmament clauses, and thereby facilitate the early withdrawal of the Commission of Control.⁵

⁵ *Note in original:* 'The Germans have, it is true, another objection to the League scheme, and that is that the investigating committees will always contain a representative of each of

The other objections raised both by H.M.G. and by the German Government apply only to the case where the League scheme is utilised for the supervision of the demilitarisation clauses. In practice the present absence of any League scheme, as far as the demilitarisation clauses are concerned, has not caused any serious inconvenience. There is, of course, a difficulty as regards technical violations of Article 43, but a provisional arrangement is now being made as explained in paragraph 19 of the memorandum of Nov. 22nd,⁶ whereby the Ambassadors' Conference is to deal with each case as it arises until such time as the League is able to take over the task. It is undoubtedly to everybody's advantage not to press for a premature discussion of the difficulties arising out of the demilitarisation clauses until we know better how the question of the evacuation of the Rhineland is going to develop, but this consideration does not apply in the case of an early discussion of the League scheme as applied to the disarmament clauses, as distinct from the demilitarisation clauses of the treaty.

O. G. SARGENT

the members of the Council, which means the inclusion of a Polish member. It is known that the presence of this Polish member is much resented, but the German Government have never actually formulated an objection to this effect. They would in practice find it very difficult to do so, and will probably prefer not to raise the point at the present juncture.' Sir W. Tyrrell made the following marginal comment against this note: 'I am not so sure. Their objection to Czech & Pole is very real. W. T.'

⁶ This paragraph summarized section 1 of No. 284.

No. 298

Sir R. Lindsay (Berlin) to Sir A. Chamberlain
(Received November 25, 9 a.m.)

No. 309 Telegraphic [C 12358/436/18]

BERLIN, November 24, 1926, 9.20 p.m.

Your telegram No. 130.¹

I saw Minister for Foreign Affairs to-day² and spoke in the sense of your instructions pointing out that it was the second time within a fortnight that I had had to make substantially the same representations to him³ and emphasising importance of question of associations.

Minister for Foreign Affairs exclaimed that he did not know what was required of him mentioning that he had failed to get any definite enlightenment from the French Ambassador; I said law of February 12th should be properly put into force, to which he answered admitting that in the past associations had stood in close connection with Reichswehr. This however had been changed and new army leader was personally opposed to any such

¹ No. 293.

² For Dr. Stresemann's account of this conversation (see also No. 299) see *Gustav Stresemann, op. cit.*, vol. iii, pp. 69-71.

³ See No. 280.

connection and could be trusted not to allow it. If however what was wanted of him was to dissolve associations altogether then he must say that it was simply impossible. French government might regard them as a potential danger, but this was an error, they were essentially harmless and outcome of vanity of ex-servicemen, and their only real importance was from point of view of internal politics, but their members were now so numerous running to millions, that dissolution was not a matter of practical politics.

Speaking more generally he admitted in yesterday's debate⁴ that he had not been attacked as bitterly as had been expected and Reichstag seemed disposed to be patient for a while but he affirmed that it would be impossible for him to return from Geneva next month empty-handed and that unless after the meeting he were able to name some definite date in the near future by which Inter-allied Control Commission would be withdrawn, he would certainly have to resign.

I agree with what he said about associations, viz: that dissolution now is virtually impossible. It may be true that their present strength and pseudo military character is due to the past active toleration by German government but that is a different question which does not affect present position.

Heye, I regard so far as an unknown quantity though what Minister for Foreign Affairs said about him may be true.

I rather think that he exaggerates when he says he would have to resign if he returned empty-handed from Geneva as his parliamentary position is fairly strong just now.

⁴ For Dr. Stresemann's speech to the Reichstag on November 23 see *ibid.*, pp. 62-69.

No. 299

Sir R. Lindsay (Berlin) to Sir A. Chamberlain
(Received November 25, 9 a.m.)

No. 310 Telegraphic [C 12359/10060/18]

BERLIN, November 24, 1926, 9.20 p.m.

My immediately preceding telegram,¹ second paragraph.

Talking of difficulties and even of dangers of present position, Minister for Foreign Affairs had seen in the papers that Monsieur Briand was likely to have a meeting with Signor Mussolini immediately after Geneva. It had been suggested that he too at some time should meet Signor Mussolini at Milan or even Rome to sign arbitration treaty; he was willing in principle but would prefer to avoid a meeting *à deux* so as to prevent exaggerated false rumours from spreading. He rather thought Monsieur Briand too might have the same view on this point.² He had been asking himself whether it

¹ No. 298.

² Sir A. Chamberlain had informed Lord Crewe in his despatch No. 3216 to Paris of November 17 that M. de Fleuriau had mentioned the proposed German-Italian treaty in conversation with Sir W. Tyrrell on November 2 and had stated that what 'filled him with

might be possible to merge these two proposed meetings into one meeting of Locarno powers at which settlement of control and perhaps too of investigation questions might be reached, to take place after Geneva. He was quite conscious of danger of embarking on a conference without being sure that it would end successfully; he could not expect ground would be sufficiently cleared before Geneva; he was not even sure whether in conversations at Geneva it would be possible to reach this point in the very short time which would be available. He was uncertain how to proceed; but he considered it of the utmost importance that no single word about this idea should now be made public, and he particularly begged to be favoured with your views on it as soon as conveniently possible.

My own view is that 99% of control questions having been settled, the natural psychology of the matter is causing protagonists to show as much obstinacy over remaining 1% as over all the 99. I see no prospect of settling control questions when taken alone but perhaps solutions might be possible if issues were confused by introduction of other matter for bargaining, notably question of League investigation. Here unfortunately German Government do not seem to have progressed beyond position of their note to League of Nations of January 12th last.³

Addressed to Foreign Office No. 310, repeated to Rome.

a little apprehension was the effect that such a treaty might have on public opinion in France, where it might be looked on as an anti-Thoiry demonstration. This would not render M. Briand's task any easier, which was already made difficult by the exaggerated importance that has been attached to the meeting between the two statesmen.'

³ See Volume I, annex to No. 185.

No. 300

Sir A. Chamberlain to the Marquess of Crewe (Paris)

No. 269 Telegraphic: by bag [C 12387/436/18]

FOREIGN OFFICE, *November 25, 1926*

Your despatch No. 2223¹ (of the 23rd November: German disarmament).

I feel it to be of good augury that the French have taken Dr. Förster's visit in such good part, and we should clearly be ill-advised to discourage the discussion of any questions to which the French are ready to agree. It is evidently Dr. Stresemann's keen desire to be able to point to some concrete achievement, such as the inception of direct negotiations in Paris on military control, before he leaves for Geneva, and we ought to do all we can to help him.

In reply therefore to the Secretariat General's memorandum of the 19th instant² Your Excellency should address forthwith to the Conference a memorandum to the effect that although in our general proposals (see my despatch No. 3109³) we suggested that the final settlement of the outstanding

¹ No. 296.

² Enclosure in No. 296.

³ No. 275.

disarmament questions should be left to the Control Commission, the question of procedure is of minor importance to us. We are ready to welcome any form of procedure that will further our object, which is to get the whole question settled and the Control Commission withdrawn as soon as possible. For that reason we have no objection to conversations being undertaken with Dr. Förster either by an ex-allied delegation (on the analogy of the air negotiations) or by the Versailles Committee or by M. Cambon himself speaking on behalf of the Ambassadors' Conference.⁴ You may add verbally at the Conference meeting that we feel either the first or third of the above alternatives to be greatly preferable to the second.

Our views on the questions as set forth in Your Excellency's note to M. Briand of the 9th November had better now be communicated officially to the Conference with the intimation that in view of this new development they naturally would not preclude our accepting any alternative arrangement which might be agreed upon in the course of the discussions with Dr. Förster.⁵

Addressed to Paris by bag, repeated to Berlin No. 131.

⁴ Lord Crewe transmitted in Paris despatch No. 2255 of November 26 the memorandum of the same date which he had accordingly transmitted to the Conference of Ambassadors.

⁵ Lord Crewe transmitted in Paris despatch No. 2256 of November 26 the memorandum of the same date under cover of which he had accordingly transmitted to the Conference of Ambassadors a copy of his *aide-mémoire* of November 9 to M. Briand (see No. 279) together with the General Staff memorandum of October 29 (enclosure in No. 275).

No. 301

The Marquess of Crewe (Paris) to Sir A. Chamberlain (Received November 26)

*No. 2249 [C 12370/436/18]**

PARIS, November 25, 1926

His Majesty's representative at Paris presents his compliments to the Secretary of State for Foreign Affairs, and has the honour to transmit herewith copy of a note from the French Minister for Foreign Affairs, dated the 25th November, respecting military control in Germany.

ENCLOSURE IN NO. 301

French Ministry of Foreign Affairs to British Embassy

PARIS, le 25 novembre, 1926

Par sa note en date du 17 [16] novembre,¹ répondant à l'aide-mémoire remis, le 9 novembre, par son Excellence Lord Crewe, le Ministère des Affaires étrangères avait informé l'Ambassade d'Angleterre que M. Briand se proposait d'exposer plus complètement ses vues sur les suggestions formulées par le Gouvernement britannique dès qu'elles auraient pu être étudiées dans

¹ Enclosure in No. 290.

le détail; l'Ambassade d'Angleterre voudra bien trouver dans la présente note la réponse complémentaire ainsi annoncée.

L'accord étant complet entre les deux Gouvernements sur les raisons qui rendent désirable de mettre un terme à l'activité de la Commission militaire interalliée de Contrôle en Allemagne, aussitôt que sa tâche pourra être considérée comme achevée, il n'a pas semblé nécessaire d'exposer les vues du Gouvernement français sur certains points d'importance minime visés dans le mémorandum de l'État-major britannique: M. Briand est convaincu que sur tous ces points les membres du Comité militaire allié n'auront aucune peine à s'entendre pour la rédaction des instructions qui doivent être envoyées à cet égard à la Commission de Contrôle, et le Ministère des Affaires étrangères croit pouvoir borner ses remarques aux questions qui apparaissent comme présentant un intérêt particulier.

L'aide-mémoire remis par Lord Crewe ne retient que quatre questions; M. Briand les considère également comme très importantes, mais il estime qu'il en est d'autres qui méritent à un degré égal de retenir notre attention.

1. Le Gouvernement britannique, faisant siennes les vues de l'État-major général, propose de considérer comme suffisant le projet de décret relatif aux incorporations illicites et à la formation d'officiers de réserve dont la conférence² a été saisie par le Gouvernement allemand. Le Gouvernement français, si désireux qu'il soit de se rallier à cette manière de voir, ne pourra le faire que si les juristes alliés, qui ont été saisis du projet, donnent à cet égard un avis favorable.

L'Ambassade d'Angleterre se rappellera certainement, en effet, que des doutes se sont élevés sur la question de savoir si le décret avait une base légale suffisante. L'Ambassade d'Allemagne a été priée, il y a plus de deux semaines, de fournir sur ce point des éclaircissements et, depuis lors, cette demande a été renouvelée à diverses reprises. Aucun fait nouveau ne s'est produit qui commande de renoncer aujourd'hui à provoquer des explications sur le projet dont nous sommes saisis. La question sera réglée si les explications qui nous seront fournies sont jugées suffisantes par nos juristes; si elles ne le sont pas, le Gouvernement britannique sera certainement d'accord avec le Gouvernement français pour estimer que l'Allemagne a le devoir de prendre les mesures qui rendent impossible dans l'avenir la pratique des engagements à courts termes et l'instruction d'officiers de réserve contrairement au traité.³ En tout cas, le prompt règlement de l'affaire dépend de la rapidité avec laquelle nous seront fournis les renseignements demandés.

2. En ce qui concerne la police, le Gouvernement britannique a confiance que, si la légère augmentation d'effectifs sollicitée par le Gouvernement allemand est accordée, les autres questions pourront être aisément réglées. Pour sa part, le Gouvernement français, désireux de manifester à nouveau l'esprit de conciliation qui l'anime, fait procéder à un nouvel examen des demandes de l'Allemagne, et il espère qu'une solution sera trouvée qui permettra de tenir compte de tous les intérêts en présence. Toutefois, il devrait être entendu que l'agrément définitif de la conférence est subordonné

² The Conference of Ambassadors.

³ Of Versailles.

à un règlement satisfaisant des diverses questions relatives au statut de la police qui doivent encore être résolues à Berlin d'accord entre la Commission de Contrôle et les autorités allemandes.

3. Le Gouvernement français reconnaît avec le Gouvernement britannique l'intérêt que présente un accord satisfaisant concernant la prohibition d'importation, de fabrication et d'exportation de matériel de guerre, notamment, des points 56 et 57 de la liste établie par la Commission de Contrôle; il est indispensable qu'avant le retrait de la commission les pourparlers qui se poursuivent actuellement à ce sujet à Berlin aient été menée à bonne fin.

4. Le Ministre des Affaires étrangères a déjà eu l'honneur de faire part à l'Ambassade d'Angleterre de ses vues en ce qui concerne les associations. Sans insister à nouveau sur cet important sujet, M. Briand désire attirer l'attention du Gouvernement britannique sur les révélations faites récemment sur l'activité des associations nationalistes, ainsi que le rôle de certains éléments militaires, et sur l'action qu'elles ont provoquée dans les milieux qui, en Allemagne même, se montrent les plus favorables à une politique de détente et de conciliation. Le Gouvernement français est convaincu que nous devons profiter des circonstances actuelles et l'intérêt que la Gouvernement allemand ainsi que l'opinion attachent à l'achèvement des opérations de la Commission de Contrôle pour exiger que des mesures efficaces soient prises afin de mettre un terme à ses dangereux abus.

Sans doute, le Gouvernement du Reich se heurte à des difficultés dont nous avons le devoir, et dont le Gouvernement français est, pour sa part, préoccupé de tenir compte, mais il faut d'abord que des actes aient prouvé que le Reich et les États entendent se servir des armes que les lois leur fournissent.

5. L'aliénation des bâtiments militaires en excédent est actuellement l'objet de pourparlers entre la Commission de Contrôle et les représentants du Reich. La conférence a demandé qu'un programme complet d'aliénation fût élaboré. Ce programme devra être assez précis pour que son exécution ne puisse donner lieu dans l'avenir à aucune contestation. Il est, d'ailleurs, évident qu'il s'étende sur des délais trop longs pour que la Commission de Contrôle puisse en suivre l'exécution jusqu'au bout; du moins, importe-t-il qu'avant son départ une situation nette ait été créée de telle manière que la Société des Nations soit en mesure dans l'avenir de s'assurer que les engagements pris s'exécutent dans les conditions prévues. M. Briand croit pouvoir espérer que le Gouvernement britannique sera d'accord avec lui sur ce point.

6. Le Gouvernement britannique considère que la Conférence des Ambassadeurs devrait renoncer à obtenir de nouvelles garanties au sujet de l'interdiction faite à l'armée allemande de s'instruire dans l'usage de certaines armes non autorisées par le traité, et il fait valoir que le traité ne contient aucune disposition formelle à cet égard. Il y a lieu de remarquer, cependant, que, au lendemain de Locarno, le Gouvernement allemand a pris envers nous des engagements à ce sujet; est-il excessif de demander que ces engagements aient quelque effet? En demandant la communication des

règlements d'instructions pour s'assurer qu'ils sont conformes aux assurances qui nous ont été officiellement données, la Commission de Contrôle n'a donc présenté aucune demande excessive, et il n'y a aucune raison pour que le départ de la commission se trouve retardé de ce fait; il suffit d'un peu de bonne volonté de la part des autorités du Reich.

7. Le mémorandum britannique ne signale que pour l'écarter la construction par l'Allemagne sur sa frontière orientale de nouveaux ouvrages de fortifications. Il considère, en effet, que, si les juristes sont d'accord pour reconnaître qu'une infraction au traité a été commise, le Gouvernement allemand pourrait être autorisé à conserver les abris déjà construits, à condition qu'il s'engage formellement à n'entreprendre aucune construction nouvelle. Une solution de cette nature, qui aurait pour effet l'approbation explicite d'une violation formelle du traité, n'irait pas sans de sérieuses difficultés, et les Gouvernements intéressés, limitrophes de l'Allemagne à l'est, pourraient reprocher à la conférence, non sans apparence de raison, de ne pas tenir un compte suffisant de leurs intérêts. Le Conseil de la Société des Nations ne verrait-il pas, d'autre part, de sérieux inconvénients à assumer tout de suite la charge de se livrer sur ce point aux investigations prévues par l'article 213 du traité? Enfin, le Gouvernement allemand lui-même paraît désireux de régler la question avec la Conférence des Ambassadeurs; dans les démarches auxquelles il se livre actuellement auprès des Gouvernements alliés, il a marqué le désir que des pourparlers se poursuivent à cet effet à Paris; il ne conteste pas notre droit d'intervenir, mais seulement l'interprétation que nous donnons à l'article 180 du traité.

Sans se prononcer dès maintenant sur la possibilité de transporter la négociation à Paris, M. Briand croit devoir signaler ces divers points à l'attention du Gouvernement britannique; il ne sera, d'ailleurs, possible de se prononcer définitivement que lorsque le rapport des juristes aura été remis aux Gouvernements.

Telles sont les principales remarques qu'appelle, de la part du Gouvernement français, l'exposé des vues du Gouvernement britannique. Lorsqu'a été rédigée la note du 4 juin 1925, les représentants français à la Conférence des Ambassadeurs ont déclaré, et les représentants britanniques ont manifesté leur plein accord avec eux sur ce point, que le programme soumis à l'Allemagne était un programme minimum qui devait être exécuté à la lettre. Le représentant français à la conférence s'exprimait, à la séance du 30 mai 1925, dans les termes suivants:

'Il ne faut pas que, dans l'avenir, sous prétexte que neuf dixièmes des conditions alliées auraient été exécutées, on vienne réclamer [des Alliés] l'abandon du dernier dixième de nos [leurs] demandes. Le Gouvernement français entend qu'il n'y a[it] aucun doute sur ce point; il compte que le Gouvernement britannique est pleinement d'accord avec lui à ce sujet.'

A cette déclaration, Lord Crewe répondait affirmativement.

C'est dire que les questions sur lesquelles il est possible de se prêter à une interprétation du traité particulièrement libérale sont forcément limitées.

Sous le bénéfice des observations qui précèdent, au sujet desquelles le Gouvernement français demeure convaincu qu'une entente avec le Gouvernement britannique sera facilement réalisée, M. Briand approuve pleinement la proposition contenue dans l'aide-mémoire remis par Lord Crewe que des instructions nouvelles s'inspirant, dans toute la mesure du possible, de la situation créée par l'entrée de l'Allemagne dans la Société des Nations, soient adressées à la Commission de Contrôle, et il n'y aurait en même temps que des avantages à ce que le Gouvernement allemand fût instruit, par les soins de la conférence, des intentions des Gouvernements alliés. A cette occasion, et comme le suggère le Gouvernement britannique, il lui serait demandé de prendre des engagements précis concernant l'exercice éventuel du droit d'investigation de la Société des Nations.

Les Ambassadeurs de Belgique et d'Italie à Paris reçoivent communication de la présente note.

No. 302

Sir A. Chamberlain to Sir R. Graham (Rome)

No. 273 Telegraphic [C 12092/2941/22]

FOREIGN OFFICE, November 26, 1926, 7 p.m.

Your telegram No. 237¹ and your despatch No. 988.²

It is undesirable that you should take up Mussolini's reference to Syria unless he recurs to it. The idea seems to me fantastic and dangerous and the suggestion that Italy should drop one exaggerated claim if a still more preposterous pretension is granted is unworthy of Mussolini and can receive no countenance from us. If he does recur to the subject you may indicate that this is our view.

¹ No. 289.

² Not printed. This despatch reported more fully on the conversation recorded in No. 289.

No. 303

Sir A. Chamberlain to Sir R. Lindsay (Berlin)

No. 133 Telegraphic [C 12359/10060/18]

FOREIGN OFFICE, November 26, 1926, 8 p.m.

Your telegram No. 310,¹ (of the 24th November: Settlement of outstanding points between Germany and ex-allies).

You should inform Dr. Stresemann that he, Briand and I can discuss his idea at Geneva where we meet naturally and with no call for explanation of reason for our meeting. It would be premature to take any decision now. In general I believe in good results of personal exchange of views but public

¹ No. 299.

opinion in all countries is just now very sensitive and apart from Geneva it would be unwise to arrange any meeting for which ground is not well prepared and a practical measure of success assured.

Repeated to Paris No. 272 (by bag) and Rome No. 275.

No. 304

Letter from Sir W. Tyrrell to Mr. Phipps (Paris)

[C 12317/436/18]

FOREIGN OFFICE, November 26, 1926

Dear Phipps,

We have been much interested in your letter¹ of the 22nd November recording a conversation with Berthelot when the latter suggested that we might give the Germans a definite date² on which the Control Commission would be withdrawn provided the remaining outstanding questions had been satisfactorily settled by then. You will have seen from Berlin telegram No. 309³ that Stresemann himself has suggested to Lindsay the idea of a definite date but naturally without the condition attached by Berthelot.

Our feeling is that Berthelot's condition destroys most of the object of the proposal from our point of view, for it seems to mean that as an integral part of the scheme we must subscribe to the French view that the 'remaining outstanding points must be satisfactorily settled'. Now we have definitely said that, except for one point (the definition of war material), we consider all the outstanding points as involving demands which are trivial, valueless and unjustifiable, and we cannot lightly allow ourselves to be tempted to abandon that point of view.

As a matter of fact in fixing a date on these conditions the French would be offering nothing at all. On the contrary they are going back on their present commitments for, as matters stand at present, the Allied Governments have undertaken to withdraw the Commission of Control *as soon as* their demands set forth in the note of June 1925 are fulfilled. If the German Government therefore fulfilled those demands next week, the Commission of Control would have to leave the week after. There could be no question of its staying on till March 1st or any other date arbitrarily [*sic* ? arbitrarily] fixed by the Allied Governments.

In fact in trying to fix a date the Allied Governments would merely be estimating the length of time required by the German Government to complete the Allied demands of June 1925, e.g., legislation in the Reichstag and States, etc. This is surely a task for the German Government rather than for the Allied Governments. (After Locarno the German Government did actually fix such dates for the various Allied demands but they were only very partially adhered to.)

In these circumstances we would deprecate encouraging Berthelot's idea

¹ Not printed.

² M. Berthelot mentioned March 1, 1927.

³ No. 298.

so long as it involves our agreeing to insist on the uttermost execution of the demands of June 1925. It would of course be a different matter if this condition were waived or if, of course, the Germans accepted the condition.

Yours sincerely,

(In Sir William Tyrrell's absence)

J. M. TROUTBECK

No. 305

Sir A. Chamberlain to the Marquess of Crewe (Paris)

No. 273 Telegraphic: by bag [C 12370/436/18]

FOREIGN OFFICE, *November 27, 1926*

Your despatch No. 2249¹ (of the 25th November. German disarmament).

I have considered the French government's reasoned comments upon our proposals in regard to German disarmament and, while they do not seem to demand a further written reply on our part at any rate at the present stage, it may be useful for Your Excellency to be aware of the lines upon which His Majesty's Government, in the light of the French views, would be prepared to seek a settlement of the various outstanding questions. The British representatives should be guided by these views (in which the War Office concur) in any conversations they may hold with their ex-allied colleagues or with Dr. Förster.

(1) Illegal enlistments. Your Lordship has already been authorised in my telegram No. 270² to agree to urge the German government to furnish the data required for the Drafting Committee without further delay. It is impossible to say anything more until the Drafting Committee have expressed their views.

(2) Police. I observe with satisfaction that the French government are prepared to re-examine the German demands regarding the number of police, and if the French agree, Dr. Förster might well be told that the ex-allies are prepared to make a concession on this point in order to facilitate the settlement of the other outstanding police questions. We have always understood that a settlement of these other questions would speedily follow if a concession were made on numbers.

(3) Definition of war material. His Majesty's Government and the French government are here agreed.

(4) Associations. The views of His Majesty's Government are already known to you and there is nothing to add to the recommendations made in the General Staff memorandum of October 29th;³ but I should naturally welcome any agreement which Dr. Förster and the French representatives might find it possible to reach on this question. You are authorised to take any action you think advisable with a view to facilitate such agreement.

¹ No. 301.

² This telegram of November 26 is not printed.

³ Enclosure in No. 275.

(5) Alienation of military establishments. I agree that it will be open to the League of Nations to make investigations to see that the German government are carrying out the agreement reached with the Control Commission on this question. I may add that in this connection I deprecate the drawing up of too rigid a programme for the disposal of these establishments. Something in the nature of a guarantee to dispose of an agreed percentage year by year should suffice.

(6) Training in unauthorised weapons. I see no reason here to depart from the view expressed in the General Staff memorandum of October 29th that this point should be dropped. The position as I understand it is as follows:—The allied note of June 4th 1925 laid down that ‘the necessary orders shall be given by the German military authorities to forbid training in the use of arms not authorised by the Peace Treaty’; further that ‘a decree forbidding the co-operation of all kinds of aircraft with the army must be promulgated and put into force. Texts of the laws, orders and decrees mentioned in paragraphs 1 and 2 above will have to be approved by the Inter-allied Military Commission of Control’. The German government in their note of October 23rd 1925⁴ included this point among those which involved special difficulties. Negotiations followed in Paris, at the end of which it was agreed at a meeting on the 16th of November between the German and allied experts that ‘the representatives of the allied governments take note of the proposals made by the German government in Monsieur von Hoesch’s letter of the 11th November, completed by the note from the German Embassy of the 13th of November, and declare that the execution of these proposals will assure the satisfactory settlement of (this) question’.⁵ The upshot of Monsieur von Hoesch’s proposals had been that the German government were ready to observe the limits laid down as regards each category of arms in the treaty and that training in any category of arms not authorised by the treaty would not take place; but they contended that there was nothing in the treaty to restrict the training of the German forces, e.g. to forbid infantry being trained in the use of guns. However the German government undertook not to use civil aeroplanes in army manoeuvres and declared that armoured cars were not being used in training for fighting purposes. The German government issued a circular dated the 11th November 1925 forbidding the use by the army of civilian aircraft. (In connection with the above I would refer Your Lordship to Germany prints November 13th, Sections 1 and 2, November 17th Section 2 and November 19th Section 1, 1925).⁶

Since then the Control Commission has asked to be sent copies of the German army training regulations for checking, and this the German

⁴ Item No. 1 in Cmd. 2527 of 1925.

⁵ This quotation was from a translation of the *procès-verbal* signed on November 16, 1925, recapitulating the agreement reached on disarmament questions: see Volume I, No. 106, note 1. For the German notes in question see *op. cit.*, Nos. 94 and 100.

⁶ The reference was to Paris despatches Nos. 2392, 2391, 2414, and 2437 of 1925: see Volume I, No. 88, note 5, No. 100, note 1, and No. 106, note 1 (cf. note 5 above).

government have refused contending that the point is settled. While the Control Commission may well be within their rights in demanding to see all training regulations, I am not convinced that the German government have failed to execute the proposals made by Monsieur von Hoesch in November 1925, and I feel that in any case it is eminently a point on which no further demands should be made seeing that the letter of the treaty does not justify our interference in the training of the German army, provided the authorised scales of arms and equipment are not exceeded.

(7) Königsberg fortifications. No progress can be anticipated on this point until the Drafting Committee have pronounced on the question of law. But if they support the view of the Control Commission I may find it possible in the last resort, and provided the French are prepared to meet our views on other points, to abandon the concession we have proposed on this question and to join the French in demanding the destruction of the fortification already constructed.

Finally there is the question of Monsieur Laroche's declaration to the Ambassadors' Conference of May 30th, 1925.⁷ While I of course have no wish to dispute the accuracy of the French contention in this respect, it will be well to remind the French, should they revert to the point, that matters have progressed since Monsieur Laroche's declaration was made. The whole basis of the present British proposals rests upon the fact that the international position has been fundamentally altered by the entry into force of the Locarno treaties and Germany's admission to the League Council.

⁷ See the enclosure in No. 301. M. Laroche, French Ambassador at Warsaw, had at that time been Director of Political and Commercial Affairs in the French Ministry of Foreign Affairs.

No. 306

Record of a meeting of the Conference of Ambassadors (Paris)

No. C.A. 305 [F.O. 893/29]

Secret

Notes d'un Secrétaire prises au cours d'une séance tenue au Quai d'Orsay
le 27 Novembre 1926, à 11 heures.

Etaient présents:

<i>Etats-Unis d'Amérique</i>	<i>Grande-Bretagne</i>	<i>France</i>
M. WHITEHOUSE ¹	LORD CREWE	M. CAMBON
<i>Italie</i>	<i>Japon</i>	<i>Belgique</i>
BARON ROMANO AVEZZANA	Vicomte ISHII ²	Vicomte OBERT DE THIEUSIES ³

¹ Counsellor in the United States Embassy at Paris.

² Japanese Ambassador at Paris.

³ Counsellor in the Belgian Embassy at Paris.

Secrétaires:

Grande-Bretagne

M. HOLMAN

France

M. MASSIGLI

M. BERNARD

M. OUTREY

Italie

M. BOSCARELLI

Japon

M. MIZUNO

Belgique

M. GRAEFFE

Etaient également présents:

Grande-Bretagne

Général CLIVE

France

Maréchal FOCH

Général BARATIER⁴

Commandant DU VERGER

Italie

Général MARIETTI⁵

Commandant MAZZOLINI

Japon

Colonel SEMBA

Capitaine HARA

Interprète: M. CAMERLYNCK

La séance est ouverte à 11 h. 30.

1. Désarmement de l'Allemagne.

La Conférence est saisie:

—d'une note du Secrétariat Général du 19 Novembre 1926;⁶

—d'une note du Secrétariat Général du 25 Novembre 1926;⁷

—de 2 Notes de l'Ambassade britannique du 26 Novembre 1926.⁸

—(Annexes A, B, C, D).—

M. MASSIGLI fait un exposé des conditions dans lesquelles se présente la question de l'exécution par l'Allemagne des clauses du Traité de Paix relatives au désarmement. Deux ordres de démarches sont à considérer:

1^o) L'Ambassade britannique a saisi hier la Conférence des Ambassadeurs d'un mémorandum, déjà adressé le 9 Novembre au Gouvernement français, contenant les vues du Gouvernement britannique sur la question du désarmement. Le Gouvernement français, tout en se déclarant d'accord avec l'ensemble de ces vues, a formulé, cependant, des réserves en ce qui concerne

⁴ Chief of Staff to Marshal Foch.

⁵ Italian representative on the Allied Military Committee of Versailles.

⁶ The enclosure in No. 296 was attached to the present record as Annex A.

⁷ Not printed. This note (Annex B) recorded the second interview with Dr. Forster reported by M. Massigli below.

⁸ Annex C was the British memorandum of November 26, with annexes of November 9 and October 29, referred to in No. 300, note 5. Annex D was the memorandum of the same date referred to *ibid.*, note 4.

certain points particuliers dont certains ont une réelle importance; il a communiqué sa réponse aux autres Ambassades.

2^o) Le Gouvernement allemand, de son côté, a envoyé à Paris un délégué du Ministère des Affaires Etrangères, M. le Dr. Förster, avec mission de hâter, par le moyen de conversations directes, le règlement de la question.

Le Dr. Förster est venu, à cet effet, s'entretenir avec M. Massigli à deux reprises différentes. Au cours de sa première entrevue,⁶ il a annoncé l'envoi prochain d'un mémorandum contenant un exposé détaillé du point de vue allemand touchant le problème juridique soulevé par la Conférence à propos du projet de décret sur les incorporations illégales. Ce document vient de parvenir au Secrétariat de la Conférence.⁹ M. Förster indiqua en outre que son Gouvernement verrait d'un œil favorable l'ouverture à Paris de pourparlers sur les questions pendantes.

Au cours de sa deuxième démarche, le Dr. Förster fit connaître qu'il était charmé de proposer que des réunions spéciales se tinssent à Paris en vue de hâter le règlement de l'ensemble des questions encore en suspens; au cas où cette proposition serait acceptée, le chef de la Délégation allemande serait le Général von Pawelsz.

M. Massigli observe à ce sujet que deux des points en litige, à savoir la question des *fortifications orientales* et celle des *incorporations illégales*, se trouvent actuellement soumises à l'examen des juristes. Le Comité de Rédaction doit se réunir mardi.¹⁰ La Conférence des Ambassadeurs pourra donc connaître l'avis qu'il émettra et au besoin en discuter dès vendredi.

En ce qui concerne la *Police*, il a été dit à M. Förster que le Gouvernement français serait disposé, dans un esprit de conciliation, à reprendre l'examen de la question sur la base des dernières propositions faites par Berlin. Une solution rapide peut donc intervenir, étant entendu que la Commission de contrôle aura à régler avec le Gouvernement allemand toutes les questions relatives au statut de la police.

En ce qui concerne, au contraire les *Associations*, il n'y a rien de fait. Le Gouvernement allemand paraît comprendre la nécessité d'agir, mais sa crainte de l'opposition nationaliste semble le paralyser. M. Massigli a dit au Dr. Förster qu'il ne lui échappait pas que le Gouvernement du Reich se heurtait sur ce point à des difficultés de politique intérieure; on conçoit que le Reich hésite devant une mesure générale frappant en bloc de dissolution des associations qui englobent plus d'un million de membres; mais, a-t-il suggéré, ne serait-il pas possible de s'adresser séparément à chaque association en visant nommément les infractions au décret du 12 février 1926, dont elle s'est rendue coupable et de l'avertir que si, dans un bref délai, tout ne rentre pas dans l'ordre, force sera d'appliquer les sanctions du décret. M. Förster a promis de soumettre des propositions dans ce sens.

⁹ The reference was presumably to a note of November 26 from the German Embassy in Paris regarding the unrestricted power of the President of Germany to issue military ordinances having the force of law. This note was transmitted to the Foreign Office in Paris despatch No. 2264 of November 28 (not printed).

¹⁰ November 30, 1926.

En ce qui concerne le matériel de guerre, M. Massigli estime que la question doit continuer à être traitée à Berlin, et M. Förster est du même avis.

Pour conclure, M. Massigli résume l'état actuel du problème du désarmement. Il existe quatre ordres de questions, qui se présentent comme suit:

1^o) Questions en cours de règlement à Berlin, par négociations directes entre le Gouvernement allemand et la Commission de contrôle (aliénation des anciens établissements militaires, question du 'matériel de guerre').

2^o) Questions actuellement déferées à l'examen des juristes.

Pour ces deux ordres de questions, il n'y a pas lieu, pour la Conférence, d'intervenir et il faut se borner à attendre.

3^o) Négociations officieuses actuellement en cours entre les Gouvernements français et allemand, au sujet de la Police, et au sujet des associations, et qui sont appelées, une fois réglées entre ces deux Parties, à prendre un caractère officiel et interallié.

4^o) Questions mineures, visées dans le mémorandum britannique du 9 Novembre et sur lesquelles le contrôle militaire allié¹¹ pourrait rapidement se mettre d'accord afin d'envoyer les instructions utiles à la Commission de contrôle.

M. CAMBON demande quelles observations aurait suscitées cet exposé.

LORD CREWE se demande s'il y aurait vraiment avantage à faire venir, suivant le désir du Gouvernement allemand, le Général von Pawelsz à Paris;¹² mais il n'élèverait cependant pas d'objection de principe à ce que cette proposition fût acceptée au cas où la majorité de la Conférence croirait devoir se prononcer dans ce sens.

Pour ce qui a trait aux autres points, la question de la fabrication et de l'exportation de matériel de guerre se traite en ce moment à Berlin: la Conférence n'a donc pas à s'en occuper. La question des fortifications de Königsberg et celle des incorporations illégales ont été soumises au Comité de Rédaction.

Lord Crewe exprime l'espoir que la Délégation française tiendra la Conférence des Ambassadeurs au courant de l'état des négociations avec les allemands sur la question de la Police, afin que, aussitôt l'accord conclu, les instructions nécessaires puissent être transmises sans perte de temps à la Commission de contrôle. L'Ambassadeur de Grande-Bretagne propose, en outre, que des conversations soient ouvertes entre les diverses délégations et M. Förster au sujet des associations.

En ce qui concerne l'aliénation des établissements militaires, tout se réduit à une question de programme: le Comité Militaire Allié de Versailles ne pourrait-il fournir à la Conférence des Ambassadeurs, lors de sa prochaine

¹¹ The reference was presumably to the Allied Military Committee of Versailles.

¹² According to his summarized report on this meeting in Paris telegram No. 400 of November 27, Lord Crewe 'asked whether it would not be an advantage if General von Pawel[s]z came to Paris'. The telegram stated that Marshal Foch and M. Massigli 'considered that no advantage could be gained at present' and that M. Massigli also 'considered that if the General came, it would mean that he would be accompanied by a large number of experts, with the result that the present negotiations might be transformed into a Conference on a large scale'.

séance, un rapport sur l'état actuel de cette question, ainsi que sur toutes les questions mineures contenues dans le mémorandum du 29 Octobre 1926?⁸

LE MARÉCHAL FOCH répond qu'un programme d'aliénation des établissements militaires en excédent a déjà été demandé depuis longtemps au Gouvernement allemand, et que le Reich n'a pas encore répondu à cette requête.

LORD CREWE continuant l'exposé de ses observations, en vient à l'exposé juridique que les Allemands ont promis d'envoyer à propos du projet de décret sur les incorporations illégales.

M. MASSIGLI.—Ce rapport vient justement d'arriver et va être distribué.

LORD CREWE demande si la marche des pourparlers fournit des indices qu'une solution soit près d'intervenir sur la question de la Police.

LE MARÉCHAL FOCH répond que le Gouvernement allemand demande toujours une augmentation des effectifs de la Police d'Etat, qui se compenserait par une réduction de ceux de la Police communale.

En ce qui concerne les chiffres proposés, les Allemands ont réduit leur première demande. Ils se contenteraient actuellement de 108.000 hommes pour la Police d'Etat et de 42.000 hommes pour la Police communale, soit 150.000 en tout. La principale difficulté vient du sens différent donné à ces deux termes de Police d'Etat et de Police communale, suivant les différents Etats allemands. Tant que nous n'aurons pas eu de précisions à ce sujet, nous ignorerons comment se ferait la répartition des effectifs envisagés. Le Comité Militaire Allié de Versailles a donc demandé des précisions sur ce point.

LE BARON ROMANO AVEZZANA, envisageant l'offre faite par l'Allemagne d'envoyer le Général von Pawelsz à Paris, déclare que les questions à débattre intéressent principalement la sécurité française et qu'à ce titre il ne serait pas fondé à s'entremettre; mais il observe pourtant que cette offre, si elle était acceptée, serait peut-être de nature à avancer la négociation et il se demande pourquoi dès lors on la rejetterait.

LE VICOMTE OBERT DE THIEUSIES, parlant en son nom personnel, ne croit pas que son Gouvernement opposerait une objection de principe à la prise en considération de l'offre allemand d'ouvrir un débat général à Paris; mais il doute, quant à lui, qu'un tel débat puisse aboutir à des résultats vraiment pratiques. Il n'y a pas à douter, en effet, que le Général von Pawelsz n'abordera pas la question de la Police, dont il ne s'est jamais occupé. Il voudra, par contre, de toute certitude, traiter la question de Koenigsberg et des fortifications orientales, que la Conférence, au contraire, n'est pas, pour le moment, en condition de discuter, pas plus, d'ailleurs, que celle des incorporations illégales: trois des plus importantes questions se trouveraient donc exclues des débats envisagés.

M. MASSIGLI craindrait aussi qu'il n'y eût disproportion entre les résultats qu'il serait raisonnablement permis d'espérer et la grande importance matérielle que prendraient nécessairement ces réunions. Le plus clair du résultat serait une perte de temps. Il serait d'avis que la Conférence l'autorisât à dire au Docteur Förster qu'elle distingue mal, à première vue, l'intérêt

de sa proposition et que, pour s'en faire une idée plus claire, elle désirerait d'abord connaître la liste précise des questions que le Gouvernement allemand entendrait voir traiter au cours des débats qu'il préconise.

Cette suggestion est adoptée par la Conférence.

M. MASSIGLI.—Pour ce qui est de la Police, des pourparlers sont actuellement en cours entre la Délégation française et M. Förster; il semble donc qu'il n'y ait qu'à attendre le résultat de ces pourparlers qui seront en temps voulu communiqués aux Délégations.

Cette suggestion est également adoptée.

Il est décidé:

1^o de faire savoir à M. Förster, en réponse à sa démarche orale du 25 Novembre 1926, que la Conférence des Ambassadeurs serait heureuse de recevoir une liste des questions sur lesquelles il croit que des négociations puissent utilement s'engager à Paris entre les représentants de la Conférence et M. le Général von Pawelsz;

2^o de prier M. Förster de soumettre le plus rapidement possible des propositions en ce qui concerne le règlement de la question des associations dans le sens indiqué par le Secrétariat Général de la Conférence des Ambassadeurs;

3^o d'attendre le résultat des pourparlers qui se poursuivent entre M. Förster et la Délégation française, au sujet des dernières propositions du Gouvernement allemand concernant les effectifs de la police.

Il est entendu:

- (a) que, d'une part, dès que les propositions allemandes visées au paragraphe 2 ci-dessus, seront précisées, une réunion des secrétaires des Délégations alliées sera convoquée pour en entreprendre l'examen;
- (b) que, d'autre part, dès qu'un accord sera intervenu sur la question visée au § 3 ci-dessus, le résultat en sera soumis à l'approbation des Délégations alliées et immédiatement communiqué, pour exécution, à la Commission Militaire Interalliée de contrôle.

4^o de prier le Comité Militaire Allié de Versailles:

- (a) de fournir avant la prochaine séance de la Conférence un rapport sur l'état de la question de l'aliénation des établissements administratifs militaires en excédent;
- (b) de préparer des instructions à la Commission Militaire Interalliée de contrôle sur les questions d'ordre secondaire visées dans le mémorandum de l'Ambassade britannique du 9 Novembre 1926.¹³

¹³ These instructions, communicated to the Conference of Ambassadors on December 2, were transmitted to the Foreign Office in Paris despatch No. 2306 of December 4. The 'questions d'ordre secondaire' were: 'Servitudes militaires, Défenses Cotières, Livraison des Croquis de diverses Fortifications, Artillerie de la Forteresse de Königsberg, W.A.S.A.G., Transformations d'anciens Établissements militaires (Art. 168), État-Major Général, Organisation militaire du Réseau ferré, Effectifs.' The instructions to the Commission of Control were: 'dans la poursuite des redressements de ces points faire appel à une grande

2.—*Recrutement et effectif de l'armée hongroise.*

La Conférence est saisie:

- d'une lettre de la Légation de Hongrie, en date du 17 Août 1926.— (N^o 416);¹⁴
- d'un rapport N^o 348/2, du C.M.A.V., en date du 17 Novembre.¹⁵

(Annexes E, F)

LE MARÉCHAL FOCH lit le projet de résolution établi par le Comité Militaire Allié de Versailles au sujet du régime de recrutement à appliquer aux Officiers de l'armée hongroise.

Ce projet est adopté tel quel sans débat.

Il est décidé de faire connaître au Gouvernement hongrois, en réponse à sa lettre du 17 Août 1926, que les Gouvernements alliés:

1^o) maintiennent l'interprétation qu'ils ont déjà donnée à l'article 109 du Traité de Trianon, à savoir que la réincorporation dans l'armée hongroise d'anciens officiers libérés est contraire au dit article 109;

2^o) que, néanmoins, par mesure exceptionnelle et dans le but de permettre au Gouvernement hongrois de régler sur des bases fermes et définitives le recrutement des cadres-officiers de son armée, ils autorisent ce Gouvernement:

- a) à réintégrer 104 officiers antérieurement rayés des cadres. (Dans ce chiffre devront figurer les 30 officiers de la Section Eln D). Cette réintégration devra être réalisée complètement dans un délai maximum de deux ans, c'est-à-dire avant le 31 Décembre 1928. Toutefois, le Gouvernement hongrois devra rechercher, d'accord avec la Commission Militaire Interalliée de Contrôle, les moyens de réduire ce délai le plus possible;
- b) à admettre annuellement à l'Académie Ludovica 155 élèves au maximum, nombre calculé de manière que chaque promotion puisse fournir, après 4 ans de cours, un maximum de 125 officiers.

3^o) que ces concessions ne sont accordées au Gouvernement hongrois qu'à la condition formelle qu'il aura, au préalable, pris par écrit l'engagement:

- a) de ne plus procéder dans l'avenir, et pour quelque motif que ce soit, à aucune réintégration d'ex-officiers libérés autres que celles autorisées au § 2 a) ci-dessus;

activité, ainsi qu'à un large esprit de conciliation pour arriver, dans un délai aussi rapide que possible, à une solution satisfaisante.'

¹⁴ Not printed. This note argued against the decision taken by the Conference of Ambassadors on April 14, 1926, which was maintained in the resolution adopted at 1^o below.

¹⁵ A copy of this report regarding the method of recruiting officers for the Hungarian army was transmitted to the Foreign Office under cover of Paris despatch No. 2195 of November 19, not printed. The report pointed to certain facts which were 'de nature à permettre la formation occulte d'un corps d'officiers de réserve', and proposed a draft resolution for approval by the Conference of Ambassadors, the text of which was almost identical to that adopted by the Conference and printed below.

- b) de recruter désormais les officiers de son armée uniquement à l'Académie Ludovica: leur effectif total ne devra jamais dépasser le chiffre de 1.750;
- c) d'interdire le passage dans le cadre des Officiers de l'armée des fonctionnaires de toutes les catégories prévues à l'article 107;
- d) d'interdire aux officiers de quitter l'armée avant 20 ans de service, exception faite pour le 1/20 de l'effectif dont l'article 109 du Traité autorise le départ anticipé;

4^o) que les dispositions prévues aux paragraphes 2 et 3 ci-dessus devront faire l'objet de Lois ou Décrets à promulguer par le Gouvernement hongrois dans la mesure où la Commission de contrôle l'estimera convenable et dans les délais que fixera cette dernière.

3. *Effectifs de troupe de l'armée hongroise.*—

La Conférence est saisie d'un rapport du Comité Militaire Allié de Versailles, No. 349/2, en date du 17 Novembre 1926.¹⁶

—Annexe G—

LE MARÉCHAL FOCH lit également un projet de résolution visant les effectifs [de] troupe de la Honved.

Ce projet est adopté sans débat.

Il est décidé de faire savoir au Gouvernement hongrois que:

1^o) la Conférence des Ambassadeurs n'estime pas nécessaire, pour permettre au Gouvernement hongrois de régulariser la situation des effectifs de son armée, de recourir aux mesures exceptionnelles qu'a demandées ce Gouvernement à la Commission de contrôle à la date du 30 Août 1926;

2^o) que, toutefois, afin de lui faciliter la mise en harmonie de l'organisation de son armée avec les clauses du Traité de Trianon, comme aussi pour assurer un meilleur aménagement de ses effectifs-troupes, il sera autorisé à engager *annuellement et à partir de 1927* un nombre maximum de 3.720 volontaires de 12 ans, y compris les élèves de l'Académie Ludovica, étant entendu que l'effectif-troupe total de l'armée (présents et en congé) n'excédera à aucun moment l'effectif fixé par le Traité.

¹⁶ Not printed. This report, transmitted to the Foreign Office in Paris despatch No. 2196 of November 19, explained the background to requests from the Hungarian Government, transmitted to the Inter-Allied Military Commission of Control in Hungary on August 30, 1926, in connexion with the implementation of the provision of the Treaty of Trianon that the Hungarian Army should consist of 33,250 long-service volunteers. It appeared that Hungarian effectives fell short of this total by 2,473 men, and the Hungarian Government therefore proposed to recruit in 1926 an extra 1,668 volunteers and in 1927-30 4,434 volunteers annually. The Commission of Control pointed out, however, that the Hungarian Government had already recruited in the first six months of 1926 5,830 men, as compared with an authorized annual recruitment of approximately 3,700 men. The Versailles Committee therefore proposed a draft resolution which was generally similar to that adopted by the Conference and printed below.

4.—*Organisation de l'Usine unique d'Etat en Hongrie.*—

La Conférence est saisie d'un rapport N° 350/2, du C.M.A.V., en date du 17 Novembre 1926.¹⁷

—Annexe H—

LE MARÉCHAL FOCH présente un projet de résolution concernant le fractionnement en 4 sections sous certaines conditions, de l'Usine d'Etat de Hongrie.

Ce projet est adopté sans débat.

Il est décidé de faire savoir au Gouvernement hongrois que la Conférence est disposée à accepter le fractionnement de l'usine en quatre sections, à condition:

1°) qu'il présente à l'acceptation de la Commission Militaire Interalliée de contrôle les projets d'organisation dans un délai maximum d'un mois après la notification de la décision de la Conférence des Ambassadeurs;

2°) qu'il prenne l'engagement écrit:

—de renoncer à sa prétention de faire imputer sur les 'charges du Traité' les dépenses d'organisation de l'Usine qui devront être, par suite, supportées par le budget ordinaire hongrois;

—de se conformer aux demandes de la Commission de contrôle concernant les garanties qu'elle jugerait nécessaires d'obtenir (choix des Usines—limitation du rendement de l'outillage, du personnel, etc. . . .¹⁸);

—de terminer les aménagements nécessaires dans un délai maximum de six mois, après l'acceptation du projet d'organisation par la Commission Militaire Interalliée de Contrôle. . . .¹⁹

¹⁷ Not printed. This report, transmitted to the Foreign Office in Paris despatch No. 2197 of November 19, referred to earlier views expressed by the Committee regarding this factory, and proposed the action now approved by the Conference of Ambassadors.

¹⁸ Punctuation as in original.

¹⁹ The omitted sections related to other matters.

No. 307

Sir R. Lindsay (Berlin) to Sir A. Chamberlain
(Received November 28, 2.30 p.m.)

No. 311 Telegraphic [C 12435/10060/18]

BERLIN, November 28, 1926, 1 p.m.

Your telegram No. 133.¹

I stated your views yesterday to Secretary of State, Stresemann being ill at his house. Secretary of State noted them carefully. He told me that M. Briand had thrown out idea, on a general meeting subsequent to Geneva, also to German Ambassador in Paris. He also expressed strongly the view

¹ No. 303.

that, in general, advancement of Locarno policy cannot be brought about by conversations *à deux* between France and Germany but that Great Britain would have to be present.

2. I said I was sure that you would wish to participate in a meeting after Geneva if it was there decided that one could be usefully arranged.

Addressed to Foreign Office No. 311. Repeated to Rome.

No. 308

Letter from Mr. Holman (Paris) to Mr. Sargent (Received December 2)

[C 12630/436/18]

PARIS, November 30, 1926

My dear Sargent,

I saw Förster today on the question of Associations. He told me that he had seen Massigli on the previous day and had submitted to him a draft communication from the Central Government to the local Governments, copy of which is enclosed herein.¹ He informed me that Massigli had suggested various alterations and additions and that he was preparing a fresh draft on those lines by tomorrow morning. When I saw Massigli this evening I asked him what he thought of the draft. He said that he had suggested various modifications and that, should these modifications be made, he was in principle in agreement with the draft. I asked him then whether he would require anything else from the Germans. He replied that he was anxious to obtain the texts of communications from the local Governments to the associations and also documentary evidence of action taken by associations as the result of the representations by the local Governments. I pointed out to him that he had already received the texts of three notes issued by Associations to their members² and that, according to Förster, it would probably be possible very shortly to furnish him with further ones. Massigli seemed to think that this would be hardly sufficient and that before the question could be considered as settled, the Germans would have to weigh in with much more material. He said that he would, of course, submit anything that he received from the Germans to the Conference for discussion. You will see that the prospects, according to Massigli, do not at present look very bright, although on the other hand it must be admitted that the Germans have at last started

¹ Not printed. This draft corresponded to the first two sentences of the first paragraph and the first sentence of the second paragraph of the final text annexed to No. 434.

² Paris despatch No. 2265 of November 28 had transmitted to the Foreign Office a note from the Secretariat-General of the Conference of Ambassadors recording a conversation on November 27 between M. Massigli and Dr. Förster who had communicated three extracts, dated November 20, October 31, and November 21 from the *Stahlhelm*. The first extract comprised a prohibition against military exercises by the association and the two latter extracts referred to the suppression of its leaders' handbook. M. Massigli spoke in accordance with decision 1^o of minute 1 in No. 306 to Dr. Förster who stated that General von Pawelsz wished to negotiate in Paris regarding the Eastern fortifications and perhaps some secondary questions.

to do something. Could you let me know in due course what is the general line you wish us to adopt at the Conference, should the question come up, as it appears it will?

I then asked Massigli what course the French would adopt, should the jurists give a verdict against the Germans on the Eastern frontier fortifications question; he immediately replied that, speaking personally, he thought the French would ask for the destruction of the forts under the supervision of the League of Nations. I then took the opportunity to make it quite clear to him that the view of His Majesty's Government had always been, of course, that the Control Commission could not be retained in Germany after the time-limit clauses³ had been carried out, simply for the purpose of controlling the execution of this point. I have since seen Malkin⁴ who has just returned from the Ministry of Foreign Affairs; he says that there is no doubt that the Germans are in the wrong as regards the Koenigsberg fortifications and have also committed an infraction of the Treaty as regards practically all the other shelters which they have put up at the other places. As this question will be discussed at the Conference, I should be very pleased if you could let us have instructions.

Massigli then gave me for my personal information copy of a letter, which is enclosed herein, which he had received from General Walch on the subject of war material. You will observe what line the Germans apparently intend to take on this subject. Massigli has replied in a personal telegram to Walch suggesting that, should Clodius come to Paris, an expert from the Commission of Control should immediately be sent as well.

I then asked Massigli when he would be able to give me a reply on the question of the Police. He said that the question had been submitted first of all to Walch and that the latter had now replied with the suggestion that the numbers should be 105,000 State Police and 35,000 Communal Police, without taking into account the 15,000 Gardes Champêtres, which would result in an increase of 5,000 Police for the Germans. He said that Förster and Wagner were now discussing this proposal at that moment with Baratier and that he would let me know the result of the conversations as soon as he could.

Malkin tells me that the general views as regards illegal enlistments is [*sic*] that if the Germans consider the decree valid, it is no concern of ours. He thinks that he will be able to let us have the jurists' opinion on both questions by tomorrow afternoon. With regard to the minor control questions, the Military Attaché tells me that the French have drawn up a memorandum giving their views which are, generally speaking, similar to our own. The French have themselves suggested that instructions on these points prepared by the Versailles Committee should be given a wide and liberal interpretation by the Commission of Control.

Yrs. ever,
ADRIAN HOLMAN

³ Of the Treaty of Versailles.

⁴ Second legal adviser to the Foreign Office.

Copie d'une lettre du Général Walch à M. Massigli

BERLIN, le 28 novembre, 1926

Cher Monsieur,

Au cours des pourparlers sur les modifications à apporter à la législation allemande visant l'importation, l'exportation, la détention, etc. . . ⁶ du matériel de guerre, nous avons appris, sur les intentions du Gouvernement allemand de pousser très activement le règlement de cette question, d'intéressants détails que je tiens à vous communiquer.

Il est dès à présent certain que le Gouvernement allemand, dans les modifications qu'il proposera au Parlement d'apporter à sa législation, n'ira pas aussi loin que le voudrait la Commission. La question devra, en tout état de cause, être soumise à la Conférence des Ambassadeurs. Le Gouvernement allemand ne l'ignore pas; il compte continuer encore les pourparlers avec la Commission dans les premiers jours de la semaine prochaine, de manière à réduire les divergences au minimum, et transmettre officiellement à la Commission, vers le milieu de la semaine, un texte de projet de loi qui constituera le maximum de ce qu'il entend faire pour réaliser les redressements qui sont exigés de lui dans ce domaine. Immédiatement après cette remise, en même temps que M. Stresemann quitterait Berlin pour Genève, c'est-à-dire vendredi 3 décembre, le fonctionnaire de l'*Auswärtiges Amt*⁷ qui a conduit ici les pourparlers, le Secrétaire de Légation Dr. Clodius, se rendrait à Paris pour soutenir a[u]près de la Conférence des Ambassadeurs le point de vue du Gouvernement allemand.

Il est bien certain que le Dr. Clodius pourra commencer cette offensive auprès de la Conférence avant que le Conseil de la Commission ait pu examiner le texte allemand dans son ensemble et que je me sois trouvé en mesure de faire parvenir au Comité Militaire Allié de Versailles les critiques de la Commission au projet allemand, critiques dont certaines seront, on peut déjà l'affirmer, très sérieuses.

Le Dr. Clodius espère parvenir à régler la question dans un sens favorable aux vues de son Gouvernement et assez rapidement pour que, avant même la fin de la session de Genève, on puisse télégraphier aux Ministres qui y sont réunis qu'un accord est établi sur cette importante question.

Je compte bien que, en dépit de la hâte du Gouvernement allemand à aboutir, la Conférence des Ambassadeurs ne voudra prendre aucune décision avant d'avoir l'avis de la Commission.

Je vous signale que, par ailleurs, le Dr. Clodius est très au courant des détails de la question. Si la Conférence le jugeait utile, je pourrais, sur sa demande, mettre à sa disposition un expert qualifié pour répondre aux arguments allemands.

Je vous prie, &c.,
C. WALCH

⁶ Punctuation as in filed copy.⁷ The German Ministry of Foreign Affairs.

No. 309

Sir R. Graham (Rome) to Sir A. Chamberlain (Received December 1, 6.15 p.m.)
No. 242 Telegraphic [C 12607/436/18]

ROME, December 1, 1926, 5.25 p.m.

My telegram No. 234.¹

In memorandum² just received Ministry for Foreign Affairs states that my memorandum has been submitted to the technical departments and that they may desire to offer observations in points of detail. In the meantime the Italian government consider that disarmament question should be dealt with from the point of view of effects on international security and European peace and conciliation rather than from that of measure of fulfilment of Control Commission's demands. They are glad to note that Italian point of view thus agrees with that of His Majesty's Government and instructions have been sent to the Italian Ambassador in Paris to keep in close touch with His Majesty's Ambassador and to act with him at Ambassadors' Conference in furtherance of the above objects.

¹ Not printed. This telegram of November 16 reported that Sir R. Graham had communicated to Signor Mussolini on November 15 a memorandum embodying No. 275. Signor Mussolini stated that he would send a formal reply but that 'he was in principle in entire agreement' with the British proposals.

² Not printed. This memorandum of November 29 was transmitted to the Foreign Office in Rome despatch No. 1031 of December 3.

No. 310

Sir A. Chamberlain to the Marquess of Crewe (Paris)¹
No. 276 Telegraphic: by telephone [C 12630/436/18]

FOREIGN OFFICE, December 1, 1926

Your letter of November 30th² (German military control).

We feel there is strong objection to Dr. Clodius coming to Paris to discuss the 'war material' question at any rate until the Control Commission has had time to consider and report on the German draft law. Please see M. Massigli at once and suggest that, if he sees no objection, General Walch should be informed to this effect by telegraph so as to prevent Dr. Clodius starting on Friday.³

Our feeling is that the final negotiations of this question should be left to the Control Commission who alone are competent to deal with it in its technical aspects. The only object of transferring the discussion to Paris is clearly to rush us into agreement over points [?] on which the Control Commission would not give way.

¹ This telephone message was sent by Mr. Sargent for Mr. Holman. The time of despatch is not recorded.

² No. 308.

³ December 3, 1926.

Sir A. Chamberlain to the Marquess of Crewe (Paris)

No. 3340 [C 12630/436/18]

FOREIGN OFFICE, *December 1, 1926*

My Lord Marquess,

From your telegram No. 400,¹ Section 1, of the 27th November relative to the question of German disarmament, I gather that the Ambassadors' Conference has adopted a resolution to the effect that Herr Förster was to be informed that the Conference would be glad to receive a list of questions on which negotiations could with advantage be undertaken at Paris between the representatives of the Conference and General von Pawelsz.

2. I am still somewhat uncertain as to the advisability of General von Pawelsz being invited to Paris. It is difficult to see how his presence would advance matters or expedite the discussions that are already proceeding with Dr. Förster. On the other hand certain dangers might arise were General von Pawelsz to arrive in Paris with a large party of experts as, in the more formal discussions that could then hardly be avoided, certain differences of opinion between ourselves and the French Government might be exploited and exaggerated. Your Lordship should bear these considerations in mind if and when the suggestion of inviting General von Pawelsz to Paris is again raised.

3. There are further points on which Your Lordship may require instructions before the next meeting of the Ambassadors' Conference. As regards the question of associations, Your Lordship's only course will be, if your opinion is asked, to repeat the views which His Majesty's Government have held all along, viz., that it is unnecessary and indeed unwise to press the German Government for any further measures than they have already taken. At the same time His Majesty's Government are prepared to accept any agreement which Dr. Förster and Monsieur Massigli can reach between them.

4. On the question of the Königsberg fortifications I feel it impossible to give Your Lordship instructions until the Drafting Committee have expressed their view, and for the moment Your Lordship should reserve your opinion on this question. It seems premature to inform the French Government at the moment that we might be prepared to join them in demanding the destruction of the fortifications already constructed, seeing that in the first place we are not yet assured that the French Government will meet us on all the other outstanding points and that, secondly, the Drafting Committee have not yet expressed their opinion. I have noted with much satisfaction, however, that according to the letter from Mr. Holman to Mr. Sargent of the 30th ultimo,² Monsieur Massigli for the first time, and in contradiction with the

¹ Not printed. This telegram transmitted a summarized report of the proceedings of the Conference of Ambassadors on November 27: see No. 306 and note 12 thereto.

² No. 308.

views that the French Government had appeared previously to hold, inclined in a recent conversation to the policy of asking for the destruction of the forts to be carried out under the supervision of the League of Nations, instead of under that of the Commission of Control. In the event of its being decided that these fortifications are illegal and are to be destroyed, you will of course do your best to induce the French Government to adopt this policy definitely and officially.

5. As regards the proposed visit of Dr. Clodius to discuss the question of war material, Your Lordship has already received my views in my telegram No. 276³ of to-day's date.

I am, &c.,
(For the Secretary of State)
ORME SARGENT

³ No. 310.

No. 312

Sir A. Chamberlain to Sir R. Graham (Rome)

No. 1682 [C 12628/391/90]

FOREIGN OFFICE, *December 1, 1926*

Sir,

The Italian Ambassador asked for an interview with me to-day in order that he might convey to me an urgent communication which he was instructed to deliver before I left for Geneva. I have accordingly just received him.

His Excellency stated that he was instructed by Signor Mussolini to inform me *à titre personnel*, in recognition of the friendly relations of our Governments and as a mark of his desire to continue them and to treat me always with the utmost frankness, that he had signed a treaty of non-aggression and arbitration with Albania,¹ comprising a guarantee of Albania's territorial integrity and drawn strictly in accordance with the provisions of the Covenant. This treaty would be registered at the proper time with the League of Nations, but Signor Mussolini desired me to be at once informed of its conclusion.²

I asked the Ambassador to thank Signor Mussolini for the communication which I much appreciated. I had of course no criticism to offer on a treaty of the character which he described. I remarked that the situation in Albania was still apparently troubled,³ but I gathered that the Government were

¹ The Treaty of Tirana of November 27, 1926, is printed in *British and Foreign State Papers*, vol. 125, pp. 5-6.

² Sir R. Graham reported the same day in Rome telegram No. 244 that in handing him a text of the Treaty of Tirana Signor Bordonaro had stated that the 'Italian government would welcome idea of a similar Yugoslav-Albanian pact. He added that London and Belgrade had been the only capitals informed beforehand regarding the pact.'

³ An insurrection had recently broken out among some of the Roman Catholic tribes in Albania under the leadership of M. Loro Tsako, who had been in exile in the Serb-Croat-Slovene State.

successfully re-establishing their authority. The insurrectionary movement must, however, leave the Government in considerable financial difficulties, for the measures necessary for its repression would doubtless be a heavy charge on their small budget. I was of course well aware of the Italian Bank agreement⁴ and of the hold which it gave Italy over Albanian financial resources. I trusted that the Italian Government would be careful to avoid any appearance of using the situation in such a way as to give an opportunity to those who viewed the Fascists' régime with ill-will to accuse Italy of trying to make profit out of Albania's necessities and to enslave her by financial means.⁵

Marquis della Torretta said that he was much obliged to me for calling attention to the danger that Italian policy might be misconstrued in unfriendly quarters and he would certainly report my friendly words to Signor Mussolini. It was the hope of the Italian Government that the treaty which they had signed would help to stabilise the situation in Albania and would be a deterrent to any who might be inclined to attempt a similar disturbance of the peace in future. It was in conformity with the peaceful character of Italian policy and with their particular wish for greater stability in the Balkans which remained something of a danger to European peace.

I am, &c.,

AUSTEN CHAMBERLAIN

⁴ See No. 92, note 5.

⁵ For Marquis della Torretta's report on Sir A. Chamberlain's remarks see *I Documenti Diplomatici Italiani*, Settima Serie, vol. iv, p. 403, note (1).

No. 313

The Marquess of Crewe (Paris) to Sir A. Chamberlain
(Received December 2)

No. 2283 [C 12612/436/18]

PARIS, December 1, 1926

His Majesty's Representative at Paris presents his compliments to the Secretary of State for Foreign Affairs, and has the honour to transmit herewith copy of the under-mentioned paper.

Name and Date

Note by the Committee of Legal
Advisers December 1st.

Minute by Mr. Malkin
December 1st.

Subject

New fortifications on eastern
frontier of Germany.

*Note du Comité de Rédaction au sujet des Fortifications allemandes à Koenigsberg et à l'est de l'Allemagne*PARIS, le 1^{er} décembre, 1926

I—Aux termes de l'article 180, alinéa 4, du traité de Paix avec l'Allemagne:

'Le système des ouvrages fortifiés des frontières sud et est de l'Allemagne sera conservé dans son état actuel'.

L'Allemagne devant conserver dans son état actuel le système des ouvrages fortifiés desdites frontières est dont [*sic* ? donc] tenue de n'y apporter aucune modification. Si, par conséquent, un ouvrage nouvellement construit vient à être ajouté aux ouvrages qui existaient au 10 janvier 1920 et existent encore,—ou encore si un ouvrage existant en 1920 vient à être remplacé par un nouvel ouvrage qui en diffère, l'état du système des ouvrages fortifiés qui existait en 1920 n'existera plus mais aura fait place à un état nouveau; la stipulation du Traité n'aura pas été respectée.

C'est un principe élémentaire du droit des gens que toute clause d'un Traité doit être interprétée de façon à présenter un sens; or, la stipulation obligeant à maintenir l'état existant d'un système d'ouvrages fortifiés n'aurait aucun sens si, en même temps, cette même stipulation devait être entendue, ainsi qu'on a cherché à le soutenir, comme laissant la liberté de procéder à de nouvelles constructions ayant pour résultat de substituer un nouvel état de choses à celui qui existait auparavant.

Il résulte des explications techniques fournies par le Comité militaire interallié qu'une série d'ouvrages nouveaux ont été construits à l'est de l'Allemagne, notamment à Lötzen, à Cüstrin et à Glogau et qu'en fait ces ouvrages, ou éventuellement la plupart d'entre eux, ne remplacent pas à l'identique des ouvrages disparus, mais ont été ajoutés aux ouvrages qui existaient en 1920 et existent encore, dont ils accroissent et transforment la valeur, modifiant ainsi l'état du système des ouvrages fortifiés qui existait en 1920. De ce chef, ils apparaissent comme ayant été établis en contravention avec l'article 180 du Traité de Paix ci-dessus rapporté:

II.—D'autre part, l'article 196 du Traité de Versailles stipule:

'Tous les ouvrages fortifiés, fortifications et places fortes maritimes, autres que ceux mentionnés à la Section XIII (Héligoland) de la Partie III (Clauses politiques européennes) et à l'article 195, et qui sont situés soit à moins de cinquante kilomètres de la côte allemande, soit dans les îles allemandes du littoral, sont considérés comme ayant un caractère défensif et pourront rester dans leur état actuel.

Aucune nouvelle fortification ne devra être construite dans cette zone. L'armement de ces ouvrages ne devra jamais dépasser. . . .¹

¹ Punctuation as in original quotation.

Dans la zone de 50 kilomètres de la côte, le traité exclut ainsi la possibilité légale de procéder à la construction d'aucune fortification, quels qu'en soient le caractère, le but ou la nature.

Il est clair que la place de Koenigsberg, se trouvant à moins de 50 kilomètres du littoral allemand, tombe sous l'application de l'article 196 ci-dessus. Toutes fortifications construites depuis 1920 autour de la place de Koenigsberg, telles que celles signalées par la Commission militaire inter-alliée, sont donc en contravention avec le Traité de Paix.

III.—Par ces diverses considérations, on est amené à conclure que la construction des ouvrages signalés autour de Koenigsberg, aussi bien que la construction des ouvrages ou éventuellement de la plupart des ouvrages signalés dans l'est de l'Allemagne, n'est pas conforme au Traité de Versailles.

(Pour le Comité de Rédaction)²

ENCLOSURE 2 IN NO. 313

I annex a copy of the opinion of the Drafting Committee on the question of the new fortifications on the eastern frontier of Germany, whose construction has recently been discovered by the Commission of Control. Before it was written the nature and extent of these fortifications were explained to the Committee by a large deputation of soldiers headed by Marshal Foch.

It is important to realize that these fortifications fall into two groups; to each of which different considerations are applicable. The first and most important group consists of those round Koenigsberg. As to these the legal position is clear. They are all situated in the 50 kilometre zone in which, under Article 196, no new fortifications may be constructed. It is probably true that what the framers of that Article had particularly in mind was [*sic*] fortifications directed against an attack from the sea, but no such limitation exists in the article, and it is not open to the Germans to rely on any such contention. All the works now in question have been constructed since January 1920, and it is therefore not open to doubt that their construction is incompatible with the provisions of Article 196. The question being concluded by that Article, it is not necessary to consider the effect upon it of Article 180, though that Article is also applicable.

The other works fall under Article 180, which provides that 'the system of fortified works of the southern and eastern frontiers of Germany shall be maintained in its existing state'. Here, there is not, as in the case of the coastal zone, an absolute prohibition of new construction, and the Allied soldiers have gone wrong in maintaining that the legal position is exactly the same in both zones. What we have in this case is a prohibition of anything which involves an alteration in the 'existing state' of the system. The German contention appears to be that they are entitled to construct as many new fortifications as they like provided that such fortifications can be regarded as forming part of the existing system. This contention is almost unintelligible and certainly unsound. New construction, while not absolutely forbidden as

² Signature lacking from filed copy.

it is in the coastal zone, is only permissible in so far as it replaces existing fortifications and replaces them in a manner which does not involve an alteration in the 'existing state of the system'. In other words, the new work must be, within reasonable limits, a reproduction of the old; if it were more powerful than its predecessor a modification in the 'existing state' would be involved. Whether this is so or not is a question of fact in each particular case; and the question (which does not arise at the moment) as to the limits within which a new work may legitimately differ from its predecessor is one as to which there is some scope for divergent opinions.

On the material produced by the soldiers it is clear that most, if not all, of the new works in the inland zone cannot be justified on the ground that they are merely a replacement of existing works. In some cases they are additions to existing systems, in others they are constructed in places where no works of any kind existed before. To this extent their construction cannot be reconciled with Article 180. It is not, however, possible to say definitely at the moment that *none* of them are defensible on the grounds indicated above, and the opinion leaves open the possibility that some of them may be.

Just as the Drafting Committee were about to break up we were informed by Monsieur Massigli that Herr Förster would like to discuss the question with us. If such questions arise again in the future there may be something to be said for such a procedure; but as we had no instructions to discuss the matter with anybody except the Allied soldiers, were already in possession of the views of the German Government as expressed in writing and had in fact completed our opinion, we did not feel able to see Herr Förster in this particular case.

H. W. M.
1/9 [*sic*]

No. 314

Letter from Mr. Holman (Paris) to Mr. Sargent (Received December 2)
[C 12643/436/18]

PARIS, December 1, 1926

My dear Sargent,

Your telegram of December 1st War material.¹

I saw Massigli immediately. He was in full agreement with us and has telegraphed to General Walch as required.

Police. I spoke to Förster this morning on this subject. He told me that the French had made the proposal referred to in my letter of November 30th,² but had added that all the necessary laws would have to be submitted to the Commission of Control before publication. Förster pointed out that the laws in question would take some time to draw up and that the Commission of Control would therefore have to be retained for the purpose. He said that, although he was in agreement as regards the figure, he could not accept the

¹ No. 310.

² No. 308.

point in regard to the Commission of Control and had therefore made a counter proposal. He had submitted the question to his Government and was to have another meeting with Baratier this afternoon. I therefore made it clear to him that, as the French had now given way on the figure, it was for the Germans to make some concession on their side, and I trusted that he would do all in his power to reach agreement on this point with as little delay as possible. I told him that, if the police question were settled, the impression created would be most favourable and would without doubt encourage all concerned in their endeavours to settle speedily the other outstanding matters. Förster promised to let me have a copy of the French proposal and his own counter proposal this afternoon and to let me know the result of the negotiations. Should the texts of the proposals arrive in time for the bag I will let you have them. When I saw Massigli this afternoon he confirmed the fact that the Germans were in agreement as regards the figure and he hoped that it would be possible to compromise on the other point.

Associations. Massigli told me that he was awaiting this afternoon Förster's draft note from the German Government to the local Governments. I told him quite frankly that if he desired to have the texts of all communications from local governments to associations and from associations to their members, he would have to wait for weeks and possibly months, and that in that case it would be quite impossible to get the Commission of Control withdrawn at an early date as we desired.

Illegal Incorporations. I am sending you by bag to-night copy of the Jurists' opinion on the German decree.³ You will observe that it is very favourable. Massigli suggested that we might inform the Germans that we accepted the decree putting in a reserve however that if eventually the decree were proved to be ineffective for its purpose, we could draw the attention of the German Government to the matter. He thought that it would not be necessary to ask the Germans to alter the wording of the decree, as had been proposed by General Walch in the penultimate paragraph of his note of September 18th (see my despatch No. 1914⁴ of October 15th).

Koenigsberg. I am sending you by bag to-night the Jurists' opinion on this question with Malkin's explanatory statement.⁵ You will observe that the verdict goes strongly against the Germans. When I spoke to Massigli on the subject this evening he seemed to have quite an open mind as to the manner of solving the question. He said that three courses were open: either (1) to ask for the destruction of all fortresses by the Commission of Control and later under the supervision of the League of Nations, or (2) to ask for the destruction of the Koenigsberg fortifications, leaving the remainder 'sur place', or (3) to leave all the fortifications 'sur place', but to inform the Germans that they would not be allowed to build any further ones. He said that he would have to submit the whole question to Briand, but I have arranged to discuss it again with him tomorrow evening. Massigli thought it

³ Paris despatch No. 2281 is not printed: for a summary by M. Fromageot of the opinion see No. 316.

⁴ See No. 257, note 3.

⁵ See No. 313.

might be a good thing to get Pawel[s]z here on this specific point. Personally, I am not very much in favour of such a course, but if it is considered that his presence would be of assistance, I see no reason why we should stand out against such a proposal.

Yrs. ever,
ADRIAN HOLMAN

P.S. Förster has just told me that he is still awaiting the instructions from his Govt.

No. 315

Mr. Seeds (Durazzo) to Sir A. Chamberlain
(Received December 3, 4.25 p.m.)
No. 54 Telegraphic [C 12722/391/90]

DURAZZO, December 3, 1926, 1.15 p.m.

My immediately preceding telegram.¹

Text of pact corresponds . . .² summary given me by Italian Minister.

President of the Republic when handing me a copy yesterday evening spoke on the question of interpretation of articles 1 and 2. The Italian Minister had assured him that the word 'cordial' in article 1 limited support to moral sphere and did not include military intervention and that article 2 left Albania perfectly free to conclude similar treaties with other countries. Doubts were now being cast on that interpretation. He lamented his own inexperience. Great Britain seemed lately to have forgotten Albania and the latter had absolutely nobody from whom to seek disinterested advice. His Majesty's Government were experienced in treaty matters. He begged for our views on the real effect of the language used in the pact and also our advice as to whether rectifications were advised. Amendments might be introduced before ratification by Parliament.

I earnestly beg that I may be authorised to convey some useful advice or (? encouragement) to the President.

It would certainly seem that under article 1 Italy will claim the right to land troops to deal with purely internal disorders and to send military officers in times of peace to collaborate in precautions against such disturbances. In any case the fact that Yugoslavia will read this intention into the treaty is most dangerous. Moreover, article 2, as worded, seems to imply that Italy may veto any treaty Albania may wish to make with another power, for example a similar pact with Yugoslavia which seems to me most necessary.

I submit that the pact exceeds Italy's 'legitimate aspirations' grants her 'special rights of intervention in Albania[n affairs] in normal times' (please see your despatch of instructions to me dated August 20th last)³ and will

¹ Not printed. This telegram transmitted to the Foreign Office the text of the greater part of the Treaty of Tirana.

² The text is here uncertain.

³ No. 167.

make all future Albanian governments dependent on her for protection against their internal enemies. By my telegram No. 47⁴ I warned you that Italy might turn insurrection to dangerous economic uses but I frankly did not foresee a political mandate.

Would it not be possible to point out at Rome danger of present wording and induce Italian government to . . .⁵

⁴ This telegram of November 29 is not printed. In addition to conveying the warning summarized below, Mr. Seeds stated that the Serb-Croat-Slovene State and Greece believed that His Majesty's Government had now given Italy a free hand in Albania. In his opinion there was 'a serious danger to peace' in the possible abandonment by the former of her policy of moderation based on the belief that Great Britain acted to some extent as a curb on Italian aggression.

⁵ The present text is here uncertain. Another text of the telegram concluded as follows: 'to effect modifications. It should be done there, rather than at Durazzo.'

No. 316

*The Marquess of Crewe (Paris) to Sir W. Tyrrell¹
(Received December 6, 8.30 a.m.)*

No. 404 Telegraphic: by bag [General 199/II]

PARIS, December 3, 1926

The Ambassadors' Conference met this morning, under the Presidency of Monsieur Jules Cambon. I was present with the Italian and Japanese Ambassadors. Representatives of the Belgian and United States Embassies also attended. The following questions were considered.

1. *Associations.*

Monsieur Massigli gave the conference an account of the conversations which he had had on this subject with Herr Förster. He stated that Herr Förster had already produced various documents in regard to Associations, and had also prepared a circular letter for communication by the Central Government to the local Governments. Monsieur Massigli said that considerable progress had been made on this subject, but that he still considered it insufficient. He drew the attention of the conference to the fact that it would be necessary to consider the question of sanctions against members of the Reichswehr for their activities in connection with Associations. I then enquired what exactly was required of the Germans before this question could be considered as settled. The Italian Ambassador agreed that progress had been made and asked for precise details as to what further measures were necessary. The Belgian representative asked that steps should be taken to

¹ Sir A. Chamberlain left London on December 2 to attend the Council of the League of Nations, visiting Paris on his way to Geneva. He returned to London on December 13. For the official minutes of this session of the Council see *League of Nations Official Journal*, February 1927: see also Cmd. 2799 of 1927, *League of Nations: Forty-third Session of the Council: Report by the Right Hon. Sir Austen Chamberlain, K.G., M.P., British Representative.*

obtain sanctions against individual members of Associations as opposed to Associations as a whole. Monsieur Massigli said that he required satisfaction on three points, namely, (a) sanctions against members of the Reichswehr for their activities in connection with Associations, (b) warnings by local Governments to Associations for infractions of their obligations and (c) sanctions against individual members of Associations. I then enquired whether, if satisfaction could be given by Herr Förster on those three points the question of Associations could be considered as settled. Monsieur Massigli replied in the affirmative. Monsieur Massigli then brought up the question of arms in the possession of Associations. I refused to discuss this point and the suggestion was finally dropped.

It was finally decided to authorise the Secretariat General to inform Herr Förster (a) that the conference took note of the action taken by the German Government *vis-à-vis* Associations, which had resulted up to the present in the Sta[h]lhelm circular of November 20th, 1926, the withdrawal of the Sta[h]lhelm manual and the declaration of the Union of German patriotic associations of December 2nd, 1926, (see my despatches Nos. 2265² and 2308³ of November 28th and December 4th), and (b) that as regards the draft circular of the Ministry of the Interior to local governments (see my despatch No. 2288⁴ of December 2nd) the penalty of dissolution laid down in the case of offending Associations should be completed by penal measures against individual members of associations who had acted in contravention of the decree of February 26th, 1926.⁵

2. *Illegal Enlistments.*

Monsieur Fromageot furnished the conference with detailed explanations as to the manner in which the Drafting Committee had reached their decision (see my despatch No. 2281⁶ of December 1st). He pointed out that as long as legislation passed by Germany was considered by her as adequate for the object in view it was not necessary for other Powers to object, unless in practice it was found that the measures had proved ineffective. Monsieur

² See No. 308, note 2.

³ Not printed. The enclosed translation of this declaration by the Union of German Patriotic Associations stated in particular: 'Nous n'avons rien à voir avec des questions militaires.'

⁴ Not printed. This despatch transmitted a note of an interview on December 1 between M. Massigli and Dr. Forster who communicated a draft circular corresponding closely to the first two paragraphs of the final text annexed to No. 434. M. Massigli commented that this draft seemed to him to mark appreciable progress.

⁵ In Paris telegram No. 410 of December 7 Lord Crewe reported that he had agreed to the following addition being made to the present resolution: 'Il est décidé d'autoriser le Secrétariat Général de la Conférence des Ambassadeurs à demander à Monsieur Forster de faire connaître quelles mesures ont été prises pour interdire aux membres de la Reichswehr tout rapport avec les associations et, au cas où de telles mesures n'auraient pas été prises, quelles sont celles qui le seront à l'avenir.'

⁶ Not printed. This legal opinion, which referred to the enclosure in No. 201, was as summarized below by M. Fromageot.

Fromageot also drew the attention of the conference to the absence of any mention of sanctions.

It was accordingly decided (*a*) to take note of the explanations given by the German Embassy in its notes of November 26th and November 30th [29th], 1926 (see my despatches Nos. 2264⁷ and 2282⁷ of November 28th and December 1st), (*b*) to inform the German Embassy at the same time that, should the measures prove insufficient in practice, it would be for the German government to provide the necessary remedy in order that the engagement undertaken by Germany towards the allied governments should have its full effect, and (*c*) to ask Herr Forster verbally if sanctions existed in the case of the violation of the ordinance.

3. *Koenigsberg.*

Monsieur Fromageot explained the position fully from the legal point of view. Marshal Foch then pointed out to the conference, with the assistance of maps, the exact nature and importance of the various fortifications. He stated that the fortifications around Koenigsberg constituted a double infraction of the treaty, and that they ought therefore to be destroyed, but that some compromise might be reached as regards the other fortifications. I stated that, as the Secretary of State was in Paris and would doubtless discuss this question with Monsieur Briand, I was unable to take any decision. After some discussion it was finally decided under my reserve (*a*) to approve the Drafting Committee's report of December 1st, 1926 (see my despatch No. 2283⁸ of December 1st), (*b*) to bring this decision to the notice of the German Embassy and request it to invite General von Pawel[s]z to come to Paris to discuss with the allied delegates the measures which should be taken as the result of the above decision and (*c*) to invite at the same time the Control Commission to send an officer to Paris who was fully conversant with the question of German fortifications. On the authority of the Secretary of State I have since withdrawn my reservation.

4. *Police.*

Although this question was not on the agenda Marshal Foch gave the conference an account of the negotiations which had been proceeding between the French delegation and Herr Forster. He read out to the conference the French and German counter-proposals (see Mr. Holman's letter to Mr. Sargent of December 3rd⁹). He stated that they were agreed as to the

⁷ Not printed. The note of November 29 in Paris despatch No. 2282 was an addendum to that of November 26 (see No. 306, note 9) regarding the unrestricted power of the President of Germany to issue military ordinances having the force of law.

⁸ No. 313.

⁹ Not printed. The French proposal enclosed in this letter was an earlier draft of the proposals enclosed in Paris despatch No. 2307 (see note 10 below), but differed from the latter draft in providing that the envisaged German laws should, prior to promulgation, be 'soutmises à l'approbation de la Commission Militaire de Contrôle'. Mr. Holman explained in his letter that Lord Crewe's proposed amendment to this draft, as recorded below, met any German fears lest the Commission of Control be retained in Germany

figure, but that Herr Forster could not give the required satisfaction on the question of the promulgation of laws and decrees etc. I then suggested that the words 'à l'approbation des Gouvernements alliés' should be substituted for 'à l'approbation de la Commission de Contrôle' in the last line of the French proposal, and that the Secretariat General should be authorised to approach Herr Forster with the proposal in its modified form. It was accordingly decided to act on my suggestion.

Since the meeting of the Conference the French delegation have suggested certain alterations, particularly in the final paragraph of their note (see my despatch No. 2307¹⁰ of December 4th). With a view to expediting an early settlement I have raised no objection to these modifications.

5. *Violation by Austrian Government of Article 134 of the Treaty of St. Germain.*

Although I was without instructions on this point I agreed to the matter being referred to the Versailles Committee for a report (see my despatch No. 2245¹¹ of November 25th).

during the several months which might elapse before the new laws could be prepared for submission to it. It had appeared from conversations with Dr. Forster that 'it was the reference to the Commission of Control which had been so distasteful to him and compelled him to put forward a counter proposal' (not printed).

¹⁰ Not printed. The French proposals enclosed in this despatch comprised three paragraphs which corresponded closely to the paragraphs numbered 1^o, 2^o and 3^o of the final text in No. 368. The last paragraph of the present proposals read as follows: '4e. La présente concession n'est faite que sur la condition expresse que le Gouvernement allemand mettra en vigueur et fera mettre en vigueur par les Etats les mesures législatives ou autres concernant l'organisation de la police prévues dans la note du 4 juin, 1925, et dans les Accords de Paris du 16 novembre de la même année, étant entendu que ces mesures, avant d'être prises, seront soumises en temps utile à l'approbation des Gouvernem[e]nts alliés.'

In his despatch No. 2342 of December 7 Lord Crewe transmitted a draft letter to the German Ambassador at Paris prepared by the Secretariat-General of the Conference of Ambassadors. This letter comprised an opening and two closing paragraphs corresponding closely to the equivalent paragraphs in No. 368, and four paragraphs which were the same, with minor verbal variation, as the proposals noted above, except that where the paragraph cited above read 'et fera mettre en vigueur' the corresponding passage of the later draft read 'et assurera la mise en vigueur'.

¹¹ Not printed. This despatch transmitted to the Foreign Office a copy of a Belgian note of November 23 to the Conference of Ambassadors regarding an allegation that certain items of war material, such as bullets and percussion caps, were being manufactured in Austria for the Turkish Government. In Foreign Office despatch No. 3433 to Paris of December 11 Lord Crewe was informed of the opinion of the Army Council that there would appear to have been a violation of article 134 of the Treaty of St. Germain. He was instructed to propose that the Conference of Ambassadors should obtain a report from the Organ of Liquidation in Vienna, who later stated that the complete manufacture of the cartridges was being carried out in Holland and that no violation of the military clauses of the Treaty of St. Germain had occurred.

Memorandum by Mr. Gregory¹

[N 5425/387/38]

FOREIGN OFFICE, *December 3, 1926*

If I understand Mr. MacDonald right, he would like us to take the old line again and (a) to tackle the Soviet Government on their various propaganda activities, (b) come to a settlement on outstanding questions and so on to an economic agreement:

But this is precisely the line we took *ad nauseam* from 1920 to 1924—Trade Agreement, Genoa, The Hague, London²—and with no success whatever. Nor, after my conversation with Krassin a month ago,³ do I see the slightest chance of being able to do so now, or any use in starting negotiations again, even if the temper of this country would allow it. The proper place for such negotiations to begin, if ever they are to begin again, is in the City. The only bait to the Soviet Government is a loan, and, as His Majesty's Government can neither make nor guarantee a loan, it is for the Russians to propose such terms, or rather to restore such confidence, that the City will be disposed to look at them. After that our task would become comparatively easy—as far as a settlement of the main outstanding questions are concerned, i.e. debts and properties.

Even so, however, the question of propaganda would remain unsolved. Rakovsky or Krassin—I forget which—said to us on one occasion:— 'You regard the mere fact of our existence as propaganda': and indeed he was right.⁴ I see not the slightest use in flinging at their heads evidence of hostile activities. We have done it over and over again, and our protests have just become records; and always will, unless we are prepared—by way of penalty—to break the Trade Agreement or throw the Soviet Mission out of the country. Moreover we shall not even then have stopped the propaganda.

My own feeling has been for ages that the only way to deal with the Bolsheviks, so long as they remain Bolsheviks, is through personal influence—I would almost say, personal tutelage, if one could get as far—both here and in Moscow, especially Moscow. A good-humoured but perfectly firm, stand-no-nonsense, attitude does for some reason, I believe, tell with them. They are very curious unfathomable characters, not wholly impervious to

¹ This memorandum was written in connexion with a record by Mr. Locker Lampson of a conversation with Mr. Ramsay MacDonald on December 2.

² For the Anglo-Soviet Trade Agreement of March 16, 1921, cf. No. 56. Documentation regarding Anglo-Soviet negotiations at Genoa and The Hague in 1922 will be printed in forthcoming volumes of the First Series. For the unratified Anglo-Soviet treaties of 1924 cf. No. 90. Cf. also No. 62, note 4.

³ See No. 266.

⁴ Sir A. Chamberlain here made the following marginal note: 'I do not agree. It is not their existence but their attempt to overthrow every other system which raises the difficulty. I dealt specifically with this point in a recorded conversation with Rakovsky. A. C.' The reference was presumably to the conversation of November 5, 1925, recorded in Volume I, No. 65.

personal pressure, provided it is kindly. Clearly it is not going to do more than keep them in order up to a certain point, and it is certainly not going to settle anything. But nothing is going to settle this problem but itself and that is going to take still a long time—as it is after all an experiment, though a pretty nasty one at that, which has got to work itself out. All we can do, as far as I can see—short of some quite intolerable outrage when we should be forced, for prestige sake, to take drastic action,—is a temporising makeshift policy which will just, if possible, keep them within bounds. But it will be a difficult job for the man at Moscow to do what is required of him and a great strain: and for the moment I don't see the right man.

J. D. G.

No. 318

Letter from Sir A. Chamberlain (Paris) to Sir W. Tyrrell

[F.O. 800/259]

Copy

PARIS, December 3, 1926

My dear Tyrrell,

I am just back from a long conversation with Briand. All is satisfactory but not new, novel or precise enough to justify a formal despatch. The impressions that I have derived from it are first that the gravest pre-occupation of the French Government at this moment is the attitude of Mussolini and the Fascists, second that, as regards the outstanding questions of military control in Germany, Briand personally attaches no great consequence to any of them and is ready to go as far to meet Stresemann as French opinion, military and political, will allow, and third that, after hearing these views, we ought not to have real difficulty in settling the matter with Stresemann at Geneva. My present line is to reduce our demands to the minimum, to get them clearly defined and accepted by the Germans and, as an inducement to the Germans, to undertake that the Military Control Committee shall leave Berlin within a fortnight of their formal acceptance of the conditions so agreed, provided that the Germans will accept for military matters what they have already accepted for aeronautics, namely, the provisional working of League control as already organised by the Council if, at Geneva, we do not agree with them to introduce any modifications into it. Briand takes no exception to this programme. The last clause in it, which was, of course, included in our memorandum,¹ was warmly welcomed by him and is satisfactory to the 'Conseil de Guerre'. I believe the Ambassadors' Conference made good progress with the unsettled questions this morning and, since this proposal would give Stresemann that on which he lays most stress, namely, the practically immediate withdrawal of the Inter-Allied Committee of Control, it would be hard if we could not make a bargain.

In response to an enquiry from Briand, I told him how our minds were working on China. He naturally shared our anxieties about the situation,

¹ i.e. the *aide-mémoire* based on No. 275: cf. No. 279.

but I do not think that he or the Quai d'Orsay have discovered any policy for themselves. I went into no details but I told him that I thought that the time had come, or nearly come, for something in the nature of a new departure and that I was only waiting for Lampson's arrival in Peking² and his reply to a telegram from me which would meet him there in order to determine our course of action. I added that our declaration,³ whatever it was, would be made in the first instance to the diplomatic body with the hope that it would secure unity among the Powers and that we should in any case take no independent action until we had consulted their representatives in Peking.

Briand spoke also of relations with the Soviet. He and Poincaré both observed that it was getting more Imperialist and constituted a grave danger, particularly in China. When I said to Briand that the conduct to us was outrageous, such as we had never tolerated from the Czars and such as would justify us in breaking off relations at any moment, he replied that their attitude in France was equally bad.

Poincaré is so much occupied with the financial debate in the Chamber that he was unable to give me an appointment today, and, as I had an opportunity of a conversation with him after the Quai d'Orsay luncheon, I did not even ask for an appointment tomorrow, though our conversation did not give me the opportunity of testing his attitude as much as I should have wished because it was closely supervised by Briand, who, indeed, joined in it throughout. I put to Poincaré the argument which I sketched to you,⁴ but the circumstances forced me to do it with less preparation than I could have wished, though I think he saw the point of it and that it made some impression on him. I was able also to speak to him, not only of the attitude of the Imperial Conference to the Locarno Treaty, but of the views privately expressed by individual Ministers, and I hope all this will give him a higher idea of the value of what we have done. Poincaré, as was natural, dealt [*sic*] upon his suspicion of German good intentions, of his distrust of Stresemann and indeed of all Germans and on the necessity for precautions: but he did so in moderate language, almost with an air of appeal and not with the staccato manner which he was using when I last saw him in London. I rather gathered the impression that he was embarrassed in discussing this aspect of foreign policy under Briand's eyes. He turned gladly to Italy, and certainly at the moment seems more afraid of a Fascist coup on that frontier than of any danger that could come from Germany. Briand himself remains confident that he has both Cabinet and the Chambers with him in carrying on the Locarno policy. He insisted that the Cabinet were working very well together, that Poincaré had changed largely though he needed time and

² Mr. Lampson had been appointed H.M. Minister at Peking.

³ The reference has presumably to His Majesty's Government's memorandum of December 18, 1926, to the representatives at Peking of the Powers signatory of the Nine Power Treaty signed at Washington on February 6, 1922 (printed as item No. 11 in Cmd. 1627 of 1922): see *Survey of International Affairs 1926*, pp. 488-94.

⁴ The reference is uncertain.

persuasion to bring him all the way we want him to travel. But Briand again expressed his confidence that, if it came to a tussle between him and Poincaré on this particular subject, he would carry the Cabinet with him.

As soon as we were alone Briand returned to the subject of Thoiry. He repeated in a slightly different or amplified form what he had already told me about that interview. He suggested that Stresemann had been slightly under the influence of his copious protégés who had momentarily obscured his view of the difficulties which lay in his path. As long, he said, as they were discussing the minor questions [? of] control in Germany or the Saar, demilitarisation, reduction of numbers, he had observed that it was unlikely that any agreement which they might reach would be objected to by any of the Allies, but if Stresemann wanted to make use of the clauses in the Treaty⁵ which provided for a possible reduction of the period of occupation that was a matter of the Treaty; the Treaty itself indicated the conditions for such an occupation; it was one on which the other Allies must be at once consulted, but it was for Stresemann to make his offer. Stresemann had replied that he would have the question studied and would then put forward proposals. 'But', remarked Briand, 'you will observe that as soon as he returned to Berlin, he began to perceive the difficulties and from that day to this I have heard nothing more on the subject from him'. With this prelude Briand went on to say that his own view was that the matter could only be settled in connexion with a general review of international obligations. He thought that the United States was moving in that direction but he at once agreed with my statement that no progress would be made until the French debt agreements were ratified, and secondly, that the movement in America could only be promoted by Americans, and that, apart from the ratification of the agreements, we could do nothing to stimulate it. He said that for this reason he continued to urge ratification on Poincaré and he believed that Poincaré was gradually coming to favour that course. Quiñones tells me that Briand is watching with no little amusement the difficulties which the revalorisation of the franc are [*sic*] creating for Poincaré. He added what I was sorry to hear that Briand expects Poincaré to fail and then himself to be called again to the Presidency of the Council.

I am furious with the . . .⁶ who is Reporter to the Evening Standard. He asked me if I could give any message. I told him 'None', but I observe that he has invented one which he has put into my mouth. I told Selby to ask Willert⁷ to take the matter up. It is an outrage for which his editor ought to apologise.

AUSTEN CHAMBERLAIN

⁵ Of Versailles.

⁶ A personal reference is here omitted.

⁷ Sir A. Willert, head of the News Department of the Foreign Office.

Memorandum by Sir W. Tyrrell

[N 5425/387/38]

FOREIGN OFFICE, *December 4, 1926*

Mr. Gregory is quite right in pointing out¹ how futile our efforts have been in the past to persuade the Bolshevist Government to enter into normal commercial relations with us, and there is no reason that we know of to suppose that Moscow has changed its attitude.

The Soviet Government has never concealed its intention to promote a world revolution. For this purpose it is pursuing an intensive propaganda everywhere, especially aimed at this country, because they are convinced that if they can produce a revolution here the other countries will be comparatively easy to deal with. For this purpose again, they require credits, as ready money is an indispensable weapon in the execution of their policy. The economic conditions of Russia are depriving the Soviet Government of this means, and therefore they naturally turn to other countries in order to replenish their depleted exchequer. In order to achieve this object, they hold out the bait to the commercial world of concessions to be granted in return for credits, and to the Labour parties in other countries they hold out the promise of financial assistance in order to promote the political aims of those parties.

As long as this is the policy of the Moscow Soviets, Mr. MacDonald will not only fail in the policy which he advocates,¹ but would be actually promoting the same policy of undermining our institutions if he were again in a position to give effect to his views.

I think we should clear our minds on the subject of Russia and face the fact that we are virtually at war with Russia, in spite of Russia discarding the time-honoured practice of force and substituting for it the far more insidious [*sic*] weapon of peaceful penetration on the one hand in the internal affairs of other countries, and, on the other, the stirring up of revolution everywhere in order to prevent us from carrying on trade, and thereby undermining the commercial prosperity on which our national life depends. The two most glaring instances of recent date are the assistance afforded by Russia to the coal strike in this country, and her successful efforts in destroying our trade with China.

If the above be a correct diagnosis of Russian aims, a good deal is to be said in favour of the tactics recommended by Mr. Gregory.

As far as it is possible to forecast Russian tactics, it is more than likely that they will increase their interference in our domestic affairs, possibly to a degree which will convince even the most purblind sympathiser with Russia of her hostility. It seems to me therefore that if we continue our present attitude of watchful vigilance we may soon be able to catch the Soviets in a case of *flagrante delicto*,² which will enable us to clear them out of this country with

¹ See No. 317.² i.e. in the act.

almost universal consent. In other words, in order to get the greatest benefit out of breaking off relations with Russia, we should endeavour to force the Labour party either to associate itself with our policy or frankly come into the open on the side of the people who are determined upon our destruction.

To sum up, I agree with Mr. Gregory in advocating a policy of wait and see, coupled with a careful look out for any instances which would enable us, with universal approval, to break with the Soviets.³

W. T.

³ Sir W. Tyrrell noted on December 6 that this memorandum had been 'seen & approved by Prime Minister'.

No. 320

*Memorandum by Viscount Cecil*¹

[W 11420/78/98]

Copy

GENEVA, December 4, 1926

The discussion on Article 16² has proceeded with remarkable smoothness on the whole. At our last meeting³ we had instructed Monsieur de Brouckère, the Belgian, to make a Report on the Article as a whole, and he produced an exceedingly elaborate document.⁴ Apart from certain minor concrete proposals, he made no definite suggestion as to what ought to be done, but he developed an interesting point of view. In effect it came to this. It was a great mistake to bother too much about Article 16: the Article which really mattered was Article 11 which empowers the Council to take preventive measures against war where any menace of war exists. He then set out the various measures which either had actually been taken on past occasions by the Council or had been contemplated by that body, and he suggested that no exhaustive list of the Council's possible activities should be drawn up but that we might indicate the kind of thing that the Council has done and could do in such cases.

In another part of the Report he discussed the general validity of the resolutions of 1921⁵ and their bearing on Article 16, saying that in his view, they were of no validity now, and that Article 16 should be considered in its plain grammatical meaning without any glosses. Thereupon the German Representative, Herr Göppert, came to see me much agitated for he thought that this was a covert attack on the assurances given to Germany at Locarno

¹ This copy was received in the Foreign Office on December 8 under cover of Geneva despatch No. 69 L.N.C.C. (not preserved in Foreign Office archives).

² i.e. on Article 16 of the Covenant of the League of Nations: see the minutes of the fifth session of the committee of the Council of the League of Nations printed in *Documents of the Preparatory Commission for the Disarmament Conference*, Series III, pp. 44-80.

³ On September 27, 1926: see *ibid.*, p. 43.

⁴ Printed *ibid.*, pp. 93-105.

⁵ These resolutions, agreed by the Assembly of the League of Nations on September 27 and October 4, 1921, related to the amendment of article 16 of the Covenant: *v. ibid.*, pp. 98-100. The protocols of amendments of article 16 are printed in Cmd. 2241 of 1924.

as to the meaning of Article 16.⁶ I told him that he was unnecessarily excited because after all the Locarno assurances came to this: that no country could be expected to do more than it could do, which was commonsense. He accepted this summary of the Locarno assurances, but still thought that de Brouckère's phrases unless corrected would impair it. In these circumstances I suggested to Boncour that it was unnecessary to enter upon this discussion about the exact position of Article 16, that it might cause difficulties with the Germans and embarrass our Foreign Ministers in any discussion they were about to enter upon with the German Government. Boncour warmly agreed and we decided to shelve the whole of that part of de Brouckère's report with his full consent.

We then proceeded to take up the minor concrete proposals at the end of the Report. Four of them were adopted substantially as they stood with some drafting alterations. The remaining proposal, which really raised the same point as the Finnish proposal⁷ for granting credit to a nation attacked, we changed so that it amounted to a reference of the Finnish proposals and any analogous proposal to the Financial Commission for report. I felt able to agree to this suggestion in view of the attitude taken up by the Treasury on the subject.

We then came to de Brouckère's discussion on Article 11. He made a very moderate speech in support of it, and I expressed my general agreement with him but said that, in view of the novelty of the matter, I could not bind my Government without consulting some of my colleagues, meaning, of course, yourself.⁸ The result was that the whole matter was referred to a Drafting Committee consisting of de Brouckère, Titulesco and myself. Meanwhile Boncour had announced that, in view of the comprehensiveness of de Brouckère's draft and the decisions we had already arrived at about improving the telegraphic agreements [*sic* ?arrangements] at Geneva, he felt able to withdraw the rest of the French propositions.

I think this is a satisfactory provisional solution. Of course it depends a good deal on what the Drafting Committee and Financial Committee ultimately propose, but it seems to me an immense gain to have got out of the rather cast-iron region of Article 16 into the more fluid atmosphere of Article 11. De Brouckère's conception is that as soon as a danger of war arises, the Council will meet with all speed as they did in the Greco-Bulgarian case and will sit until the danger of war has passed. During that time it could take a number of measures by way of advice to the disputants, such as that they should withdraw their troops from the frontier and the like and that they should submit their dispute to arbitration or conciliation before the Council. If one or other seemed recalcitrant, the Council could if they liked

⁶ See the letter, agreed at the Locarno Conference, printed in Cmd. 2525 of 1925, pp. 55-57. The letter was communicated to Dr. Stresemann on December 1, 1925: see Volume I, No. 122, note 1.

⁷ For the memoranda submitted by the Finnish delegation on June 5 and September 18, 1926, see *Documents of the Preparatory Commission for the Disarmament Conference*, Series II, pp. 128-9 and Series III, pp. 92-93.

⁸ Sir A. Chamberlain, for whom this memorandum was written.

adopt such measures as the withdrawal of diplomatic representatives or a naval demonstration or something of that kind, everything being in the nature of preventive work. If in spite of everything war broke out, it would be much more easy for the Council to determine which was the aggressor in consequence of the preliminary proceedings which had taken place, since they would have enabled the Council to judge of the attitudes of the two disputants. Besides the procedure contemplated would have this extra advantage, that the Members of the League would have gradually to take action of increasing vigour so that if it became necessary to put in force Article 16 we and other countries should know which members of the League could really be relied upon to back us up, and if there were none or very few we should obviously be released from our obligations. However, this last point was not mentioned in the discussion.

R. C.

No. 321

Mr. Kennard (Belgrade) to Sir A. Chamberlain
(Received December 5, 6.15 p.m.)

Nos. 151 and 152 Telegraphic [C 12721/391/90]

BELGRADE, December 5, 1926, 2 p.m.

My telegram No. 150.¹

The King spoke to me at considerable length last night about the Albanian situation much in the same strain as the Minister for Foreign Affairs.² He emphasised especially the military danger and seemed resigned to an early war with Italy.

One must make full allowance for the exaggerations of Balkan sovereigns and politicians, but, even supposing the present crisis be overcome by some compromise such as Yugoslav adhesion to the pact, one cannot help feeling perturbed as to the future course of events in Albania. While Serbia might have in the past desired partition and territorial aggrandisement there, it would seem that the present fear of Italian aggression has dispelled any ambitions in that direction and that her main desire is now to prevent Italy occupying a position on her flank which must be strategically vital to her

¹ In Belgrade telegrams Nos. 149-50 of December 4 (not printed) Mr. Kennard had reported on a conversation with his Italian colleague, General Bodrero, who admitted 'that his government have not treated either His Majesty's Government or Serb-Croat-Slovene government with frankness', but claimed that there was 'nothing objectionable' in the Treaty of Tirana itself.

² In Belgrade telegram No. 148 (not printed) Mr. Kennard had reported in particular of this conversation on December 4 that M. Ninchitch had given an account of exchanges with the Italian Government before December 1 and had explained why the conclusion of the Treaty of Tirana created a serious situation. Mr. Kennard concluded: 'I am inclined to believe Minister for Foreign Affairs' version of antecedents of Pact is approximately correct and that Italian government have not acted frankly in this matter which to a certain extent justifies indignation here.'

existence. While one must not take Serbian threats too seriously, it seems probable that if any Italian troops should ever occupy Albanian territory, even under the mandate of 1921,³ Serbian troops would do likewise and hostilities which might involve the whole of the Balkans might ensue.

It may be said that there is nothing to take exception to in the recent Italian-Albanian pact, but it is rather the manner in which it has been concluded that much strengthens the suspicion that it is a further step in the Italian policy to secure control of the country. With a feeble government and unscrupulous Italian representative at Tirana further disturbances might ensue at any time, necessitating intervention, with calamitous results.

Under the circumstances, I venture to submit that the present opportunity be utilized to secure the conclusion of a tripartite pact, the guarantee of whose provisions should as far as possible render it impossible for either Italy or Yugoslavia to bring about circumstances placing Albania at their mercy. Whether the Italian mandate of 1921 could be thereunder circumscribed, or even rescinded, might be a matter for consideration. It seems also essential that steps be taken to prevent the activities of Albanian refugees in Italy and Yugoslavia continually fomenting disturbances which threaten any stable form of government in Albania. I fully realize the difficulties attending this proposal and only put it forward with all diffidence in view of the opportunity offered by the present crisis.

Addressed to Foreign Office Nos. 151 and 152. Repeated to Rome.

³ See No. 69, note 5, for this declaration of November 9, 1921, by the Conference of Ambassadors.

No. 322

Sir W. Tyrrell to Sir R. Hodgson (Moscow)

No. 252 Telegraphic [W 11114/78/98]

FOREIGN OFFICE, *December 6, 1926, 11.30 p.m.*

It has recently been suggested at Geneva that the Council of the League should press the Swiss government to settle their dispute with Russia and so enable latter to participate in the work of the preparatory committee on disarmament.¹ The following arguments are adduced in favour of this proposal:—

1. If Russia does not take part, a number of other States will not attend and the disarmament conference may be postponed indefinitely. In any event its success can only be partial in the absence of Russian participation.

¹ On January 16, 1926, the Soviet Government had stated that it could not be represented on the Preparatory Commission for the Disarmament Conference in Switzerland owing to its dispute with the Swiss Government following the murder in May 1923 of M. Vorovsky, the Soviet delegate to the Lausanne Conference: cf. Volume I, No. 234.

2. The difference between the Swiss and Soviet governments is now principally one of form, and pressure from the Council should remove any reluctance which the Swiss government may still feel about settling it.²

3. If the dispute were settled the Soviet government could not reasonably maintain their refusal to participate, even though in their heart of hearts they might prefer to remain aloof.

While proposal is somewhat distasteful, importance attached by His Majesty's Government to the success of the disarmament conference precludes us from dismissing it solely on that ground. The crux of course, is the attitude of the Soviet government. If the Swiss government gave way, would Russia be prepared to attend, or unable to avoid attending disarmament conference, and participate in the next meeting of preparatory committee in March next?

Though difficult to make accurate forecast, we should be glad of your opinion. As matter is likely to be discussed during present session of the Council please reply as soon as possible and repeat your telegram to His Majesty's Consul at Geneva.

² H.M. Minister at Berne, Mr. Sperling, commented on this telegram in Berne telegram No. 8 of December 16 to the effect that the difference between the Swiss and Soviet Governments was more than a mere matter of form and that any further concession by the Swiss Government was very improbable.

No. 323

Sir A. Chamberlain (Geneva) to Sir W. Tyrrell (Received December 8)
No. 46 L.N.C. [N 5433/136/59]

GENEVA, December 6, 1926

The British Delegate to the League of Nations presents his compliments, and has the honour to transmit copies of the undermentioned document.

<i>No. and Date</i>	<i>Subject</i>
Memorandum, December 6th.	Conversation between the Secretary of State and Dr. Stresemann:

ENCLOSURE IN No. 323

Record by Sir A. Chamberlain of a conversation with Dr. Stresemann

GENEVA, December 6, 1926

Dr. Stresemann informed me that Chicherin had stated to him in Berlin that he understood that I had made proposals to the German Government for the surrender of Danzig and the Polish corridor to Germany in return for the allocation of Memel and the necessary connection with it to Poland, and

that I was using my influence at Warsaw to insist on the acceptance of this bargain by the Polish Government. Chicherin had desired to warn Stresemann that the Soviet Government could not allow such an attack upon Lithuania. Stresemann had replied I had made no such communication to him. He had added, however, that he was going to see me and would put the question squarely to me.

I told Dr. Stresemann that there was not a shadow of foundation for this silly report. I conceived that even if I were willing to make such a proposal the Poles would throw it back in my face, but in any case the suggestion had not been made and I had never thought of making it.

Chicherin then remarked that he had the story on the authority of a speech made by a Third Secretary in the German Diplomatic Service at some banquet in Germany. Dr. Stresemann had ascertained that there had been no such banquet and no such speech, and in any case had informed Chicherin that if Third Secretaries undertook to make speeches on foreign policy they would cease to be members of the German Diplomatic Service.

My comment on the whole was that this obsession of Chicherin's was dangerous. He appeared to me to have the worst Secret Service in the world (which was saying a great deal) and to be supplied with a series of gross forgeries to which he unfortunately gave credence.

Dr. Stresemann further told me that he gathered that the meeting between Chicherin and Tewfik Rushdi¹ had been a good deal concerned with the League of Nations, Rushdi having stated that he thought that Turkey must join the League. Eric Drummond tells me that Dr. Stresemann is doing all he can to get Turkey in.²

A. C.

¹ Turkish Minister for Foreign Affairs: for this meeting cf. No. 453, note 4.

² For the press statement made by M. Chicherin in Berlin on December 6 see Jane Degras, *op. cit.*, vol. ii, pp. 144-7. An extract from this statement is printed in a variant translation as appendix (1) to item No. 1 in Cmd. 2822 of 1927. For M. Chicherin's visit to Berlin see also *Dokumenty Vneshney Politiki S.S.S.R.*, vol. ix, No. 344, and Kurt Rosenbaum, *Community of Fate: German-Soviet Diplomatic Relations 1922-1928* (Syracuse, N.Y., 1965), pp. 231-2.

No. 324

Sir A. Chamberlain (Geneva) to Sir W. Tyrrell (Received December 8)

No. 71 L.N.C.C. [W 11398/78/98]

GENEVA, December 6, 1926

The British delegate to the League of Nations presents his compliments, and has the honour to transmit copy of a memorandum by Viscount Cecil, dated the 5th December, 1926, recording a conversation with M. Briand and M. Paul-Boncour.

GENEVA, *December 5, 1926*

I went this afternoon by appointment to see Monsieur Briand and found him with Monsieur Paul Boncour.

Monsieur Briand began by expressing satisfaction at the results of the recent meetings of the Council Committee, and I agreed with him. I then said that the position now was that the Preparatory Committee was to meet on the 21st March and that I should myself be very disappointed if it separated without drawing up a draft disarmament convention. Both Monsieur Briand and Monsieur Paul-Boncour agreed to that. I then went on to explain that the naval and military gentlemen had not been very successful in arriving at agreements, and I mentioned the three great points of difference which were still outstanding. There was the naval question of whether the naval strength of a country should be measured by total tonnage or by tonnage by classes, and I explained what I understood to be the issue on that point. Then there was the military question as to whether trained reserves should be included in the strength of an army and the aerial as to whether commercial aeroplanes should be dealt with as part of the air force of a country. With regard to the naval question, I suggested that possibly some solution might be found in limiting the size of vessels in any particular class. This suggestion was not rejected, but my interlocutors thought the better plan would be to have a limit by total tonnage together with a communication of programmes of construction. I did not commit myself to an acceptance of this plan, though I think that it might be possible to work out something satisfactory on those lines. With regard to the military difficulty, Monsieur Briand explained the position caused by conscription and the impossibility of interfering with that. To that I assented and said that to my mind the real point was to limit the number of troops which should be used at the outbreak of a war for aggression. This principle was accepted by both Monsieur Briand and Monsieur Paul-Boncour so that I hope that we may find some solution on those lines. With regard to the aerial question, I said frankly that there seemed to me very much to be said for the French position. In estimating the strength of a country, it was impossible to ignore the commercial aeroplanes which could be utilised for war purposes with practically no change, but that the air authorities in England were very anxious that nothing should be done to hamper the development of commercial aviation. I suggested a possible way out as my own personal idea by way of limiting subsidies, but I found that they both thought there might be difficulties in working out this suggestion and did not go into it any further. Monsieur Paul-Boncour then raised the question of control saying that something would have to be done about that in order to satisfy French public opinion. I told them that I was very much concerned with that question at present in London, and though I did not myself share all the apprehensions upon the subject yet I had to recognise that they were very strongly felt in military and particularly in naval circles. I urged on Monsieur Paul-Boncour not to

bring this question to the front immediately. If we could arrive at an agreement as to the general lines of a draft convention, it would be much easier to reach agreement on such a question as control. Moreover, it seemed to me clear that, supposing you had a system of disarmament in force and one country was accused of exceeding its ration and a meeting of the Council was called to consider that question, it would be very difficult to resist a suggestion that a Commission of Enquiry should be sent to investigate the matter. I also suggested the possibility of an optional clause whereby those countries who were ready to do so would accept control, but Monsieur Paul-Boncour rather forcibly replied that, if England refused to accept the optional clause, Italy would certainly do the same and that would be a fatal blot in the system. I again urged that we should deal with the less thorny questions first, leaving the more thorny questions to be dealt with when the others had been definitely settled. Monsieur Paul-Boncour also raised the question of the continuance of a permanent organ of disarmament. I said that I thought something of the kind would probably be necessary; but here too I hoped that we should act with prudence as it was a thing that might easily cause a good deal of excitement if it were put forward now before a disarmament scheme was really under way. In the course of the conversation, it was agreed that it would be very important that there should be discussion of a strictly private character between France and England so that, if possible, we should arrive at an agreement or nearly an agreement on the terms of the Convention before March 21st.

Monsieur Paul-Boncour was very anxious that there should be no mention of figures at the forthcoming meeting of the Preparatory Commission. He said, and I thought with justice, that if there were a discussion of figures of reduction and afterwards no agreement was reached on other questions, it might put the Government of the country which had put forward those figures in a very difficult position because public opinion would demand their adoption even apart from a scheme of this kind, whereas it might not be safe to adopt them except as part of a general disarmament plan. Eventually it was agreed that we should seek to establish a definite draft of a Convention at the Preparatory Commission in March, but we should leave all the figures blank: that then in the course of the months which would follow that Preparatory Commission and precede the Conference we should approach the question of figures and endeavour to reach an agreement upon them. Monsieur Briand at any rate warmly accepted the position that we must be nearly or actually agreed on the figures before we go into the Conference. Finally as I left both Monsieur Briand and Monsieur Paul-Boncour assured me that they were most anxious that the movement would succeed, and that they were confident that we should reach a successful result. I need not say that the tone of the conversation was very cordial throughout.

R. C.

Sir R. Lindsay (Berlin) to Sir A. Chamberlain (Received December 10)
No. 820 [C 12965/482/18]

BERLIN, December 6, 1926

Sir,

So much prominence has been given in recent despatches and in the press to the problems connected with the semi-military, semi-political associations in Germany, that I have thought it advisable to endeavour to collate such information as is at my disposal on the history and recent development of these bodies.

2. Roughly speaking these associations fall into two categories, Veterans Associations or those which are purely military in origin and whose activities mainly centre round the preservation of the imperial military tradition, and those in which the political element now predominates, without, however, detracting from the essentially military nature of their organisation and often of their outward activities. A brief account of the more important among the former is contained in Appendix 'A' to this despatch and of the latter in Appendix 'B'.¹ The former are naturally small entities in themselves and most of their members are probably included in one or other of the latter type of association, though it is impossible to give any accurate figure for the proportion in which such distribution occurs. While important, therefore, as nuclei for keeping alive the military traditions of the past, they are of small account numerically, since their members are included for the most part in one or other of the semi-political associations.

3. In Appendix 'C' will be found a brief survey of the history and recent development of the whole movement.²

I have, &c.,

R. C. LINDSAY

APPENDIX (C)

Brief Survey

The origin of associations dates back to the revolution. It will be remembered that the Right parties offered no resistance, armed or otherwise, to the

¹ Appendices A and B are not printed. Appendix A described certain of the more important of the Veterans' Associations and stated that there were approximately 800 of these societies, whose importance lay 'not so much in their ability to furnish at a crisis trained and organised man-power, as in their value as upholders of the German military tradition. Their association with the present German army is very close.' Appendix B reported on the following 'Associations of a semi-political character in Germany': I.—*Nationalist or Patriotic Associations*; 1. Vereinigte Vaterländische Verbände, 2. Stahlhelm, 3. Jung Deutsche Orden, 4. Deutscher Offizier-Bund, 5. National Verband Deutscher Offiziere, 6. Bund Wiking, 7. Der Wehrwolf, II.—*Republican Association*; 1. Reichsbanner Schwarz-Rot-Gold, III.—*Communist Association*; 1. Roter Frontkämpferbund. Of these associations, Bund Wiking, Der Wehrwolf, the Roter Frontkämpferbund, and some branches of the Stahlhelm encouraged military training.

² Sir A. Chamberlain's appreciation of this despatch was conveyed to Berlin in Foreign Office despatch No. 1653 of December 21.

revolution. On the other hand, an armed contest took place between the Moderate Socialists, who seized the Government, and the Extremists of the Left, who sought to establish a Soviet system. Owing to the wave of pacifism which swept the country after the armistice, the Moderate Socialist Government, for lack of regular troops, had to invoke the assistance of volunteers. These were only forthcoming from the *bourgeois* parties. The volunteer organisations set up at the time by ex-officers of the old army were the forerunners of the present 'patriotic' organisations. After the suppression of the revolution, they intervened sometimes in opposition, sometimes with the connivance of the Government, in cases where German territory or German national issues were involved. The most notable instance was in Silesia prior to the referendum, when Polish and German irregular formations engaged in regular hostilities.

Having consolidated the Republican Government, the patriotic associations conceived the idea rather late in the day of overthrowing the republic and establishing a directorate. The formation in the meantime of a regular army, the Reichsheer, by the Social Democratic Minister, Noske,³ presented a serious obstacle, and the history of the activities of the associations since 1920 is mainly the history of abortive attempts to proselytise the Reichsheer and overthrow the Constitution. The idea of rectifying the new frontiers by force of arms existed in the background, but the overthrow of the Weimar Constitution was an indispensable pre-condition. The first serious attempt, and the one which came nearest success, took place in the spring of 1920, when Ehrhardt's Naval Brigade, with the connivance of the 1st Group Commander of the Reichsheer, General von Lüttwitz, attempted to establish a dictatorship. The Government fled to Stuttgart, but the Kapp 'Putsch,' as it was known, was defeated by a general strike. The Reichsheer in the provinces and in the capital remained, with few exceptions, in a state of passive loyalty to the Government.⁴

During 1921 the more radical associations initiated a campaign of violent opposition to the policy of understanding, then in its genesis. Plots to assassinate those members of the German Government who were most closely identified with the new foreign policy were hatched. As a result, Erzberger was assassinated in August 1921, and in June 1922 the murder of Dr. Rathenau was perpetrated.⁵ This roused the parties of the Left to action, and the Law for the Defence of the Republic was passed in July, 1922. This law imposes heavy penalties on members of associations who engage in subversive movements, and amplifies the powers of the police to control and investigate the activities of the associations. As usual in such cases, the Reich, having no police of its own, had to delegate the observance of the law to the Governments of the Federal States. The consequence was that the patriotic associations transferred the theatre of their activities to Munich for the time being.

³ Herr Noske had been German Minister for Defence, 1919-20.

⁴ For the Kapp Putsch and its aftermath see First Series, Volume IX, Chapters II-III.

⁵ Dr. Erzberger had been German Minister of Finance 1919-20; Dr. Rathenau had been German Minister for Reconstruction in 1921 and for Foreign Affairs in 1922.

In Bavaria they were less subject to molestation by the authorities than in Prussia. From their new headquarters they diverted their attention to Bavarian affairs.

During 1923 the struggle in the Ruhr gave them an outlet for their activities. These were, however, confined to acts of sabotage. During the Hitler revolt in Bavaria in November 1923, attempts were made to establish connection with the Reichsheer and to obtain the co-operation of the latter in Northern Germany. Owing to the firm attitude of General von Seeckt these attempts were frustrated, and, although symptoms of disaffection were manifested by Bavarian units of the Reichsheer, the Hitler movement was quelled.

When the Ruhr struggle was at its height a mild attempt to overthrow the Government by force took place in Custrin. Irregular labour commandos, mostly recruits from the associations, were employed by the Reichswehr authorities to repair the fortress of Custrin. These commandos attempted to seize the fortress as a preliminary to an attack on Berlin. General von Seeckt suppressed the movement in its initial stage.

After the Ruhr conflict the establishment of a stable currency and the return to normal conditions diminished the importance of the associations. Owing to the scarcity of money and the stringency of credit their funds became depleted. The vague idea of repeating the exploits of Prussia in Napoleonic times and the rising of 1813 became more remote. Henceforth the ideas of the wilder associations were diverted to the conditions on the eastern frontier. The Bunds adopted different views as to their future activities. A period of dissension ensued and still continues. Individual leaders struck out on new paths. The most striking development was associated with the 'grand master' of Der Jung Deutsche Orden. Mahraun, a young man aged 35 and of no particular ability in a practical sense, is equipped with a peculiar mentality and gift of oratory which appeals to a very large section of the youth of modern Germany. He exercises an unquestionable influence over his followers, who claim to number close on 1 million. He is a mixture of General Booth and General Baden Powell.⁶ Influenced by Arnold Rechberg,⁷ he took up General Hoffmann's plan of united European military intervention in Soviet Russia.⁸ As a preliminary step, he preaches an understanding with France, and during the past two years has made repeated overtures to what he calls similar organisations in France, presumably French ex-service associations. At the same time, he proceeded to combat the other associations of the Right who harboured totally different plans. With Mahraun's approval Rechberg himself proceeded to Paris, and, according to his own statement, interviewed Foch and Briand, to whom he depicted the dangerous activities of the rival associations of the Right. Though Rechberg is not a man to carry conviction in his own

⁶ Founders respectively of the Salvation Army and the Boy Scout Movement.

⁷ A prominent German industrialist.

⁸ Cf. Volume I, No. 193. General Max Hoffmann had been German Commander-in-Chief on the Eastern Front.

country, he appears to obtain a hearing in Paris and has vented himself repeatedly in the columns of the 'Matin' and 'Avenir' on the subject of a Franco-German *rapprochement* and the dangerous activities of the Nationalist Bunds.

The other patriotic associations conceived equally romantic plans. To de-Bolsheviser Soviet Russia by force, as Mahraun suggested, did not appear to be practical politics. A plan was accordingly evolved based on the following reasoning:—

1. Bolshevism has undergone a change. It is no longer the Jewish régime of 1917.
2. We and the Russians have the same enemies. Consequently we should co-operate on the following lines:—
3. German volunteer forces invade Poland. Simultaneously the Russian army invades Poland from the east and joins hands with the German troops. The combined forces advance to the Elbe where the French invading army is defeated. The victorious allies, strengthened by the Reichswehr, invade and occupy France.

This plan, which was discussed towards the end of the Ruhr invasion, only became known to the public in March 1926, when Mahraun disclosed the details of [*sic?* in] the enclosed copy⁹ of his monthly journal. He claimed that Colonel Nicolai, the former chief of the military Secret Service, was the prime mover. It is to be doubted whether any serious support ever existed for these ideas, although the plan found advocates even in the entourage of General von Seeckt. It must be borne in mind that the higher officers in the old army were deeply impressed by the success of revolutionary propaganda among their troops in 1917 and 1918. They are disposed to argue that if such highly disciplined troops as the old German army were not immune from Communist propaganda, the French army of to-day would fall an easy prey if brought into contact with the Soviet forces. They refer to events in Odessa in 1918.¹⁰ Incidentally, Graf Reventlow, one of the editors of the extremist 'Deutsche Tageblatt,' condemned the plan as obsolete, and pointed out that, at the time of the invasion of Poland by the Soviet forces in 1920, he had endeavoured to induce 'leading German circles' to participate in the attack on Poland. 'Trained men and ample war material existed in Germany then. The conditions were favourable. Nothing came of it, and in the meantime conditions in Russia and Germany have altered for the worse so far as that plan was concerned. If I were practically isolated at that time, nobody in the Völkische party to-day even dreams of such a scheme.'

The signature of the Locarno agreements disheartened the rank and file of the patriotic associations. The idea of *revanche* as far as France was concerned receded into the background and was definitely repudiated in authoritative

⁹ Not attached to the filed copy.

¹⁰ The reference is presumably to mutinies which took place in the spring of 1919 in the French forces which had landed at Odessa in December 1918.

Nationalist quarters. The undertaking on Germany's part that no alteration of even the eastern frontier should be effected by force of arms undermined another *raison d'être* of the militarist societies. The industrial revival of Germany and the return to normal and stabilised conditions diminished the subscriptions of the financial and industrial patrons of the various Bunds, who saw no object in encouraging a movement which might disturb the economic development of the country. Leading industrialists deprecated any violent interference with the Weimar Constitution.

Consequently the outlook in the spring of 1925 was gloomy. The dreams which had kept the associations virile—overthrow of the republic, rectification of the Polish frontier, co-operation with White or Red Russians against France—seemed more intangible than ever. Fortunately it so happened that a wave of enthusiasm for athletics and physical culture was sweeping the country. The leading spirits in the patriotic camps discerned new possibilities. The cult of athletics might be utilised for physical drill and its immediate corollary, military training. This was a suitable outlet for their energies. They had to seek for some fresh form of activity to keep their followers occupied.

Towards the end of 1925 the movement to devote greater attention to the physical training of the youth became very marked. As a substitute for military service courses in 'Wehr-Sport' or military exercises were inaugurated by the different Bunds. Ex-officers and in some cases Reichswehr officers (it is alleged) supplemented their earnings by giving semi-military training under the guise of gymnastic instruction. Musketry instruction with the small calibre rifle was a regular feature in the remoter and more feudal areas.

In February of this year Mahraun and his colleagues in Der Jung Deutsche Orden were in serious financial straits. They approached a bank belonging to the Hugenberg concern for a loan, but without success. Malicious critics assert that this gave rise to the bitter feud with Dr. Hugenberg¹¹ and the other associations which ensued. At all events, on the 18th March Mahraun submitted to the President of the Reich and to Dr. Gessler copies of a memorandum on the illegal and subversive activities of certain associations, drawing special attention to the military training of the youth under the guise of gymnastic instruction. Some mystery surrounds the memorandum. Dr. Gessler stated in the recent debate in the Reichstag that he communicated it to the Prussian Ministry of the Interior. The Prussian Government promptly contradicted him. It would appear that the officer entrusted with the matter only communicated a résumé of the 'relevant' portions of the memorandum. At all events, as a result of police investigations at the time, the Prussian Government dissolved the Viking Bund (Captain Ehrhardt), the Wehrbund Ostmark and the 'Sport Club Olympia' on the 12th May, 1926.¹² Their funds were confiscated in accordance with the law to protect the republic of the 21st July, 1922.

¹¹ A member of the German National People's party in the Reichstag and a leading industrialist. It would appear that Dr. Hugenberg was a supporter of the Stahlhelm.

¹² See Volume I, No. 520.

The other evidence in the memorandum related to the efforts of local groups, notably the Bund für Freiheit und Recht, Bunds Pommern Treue und Kurmark, to establish closer touch with the Reichsheer for the purpose of influencing the choice of recruits and facilitating military instruction of the youth. Mahraun entered the lists again in November, complaining that the Reichsheer did not display sufficient energy in acting on his warnings. The subsequent discussion in the Left press led to the Reichstag debate (see Sir Ronald Lindsay's despatch No. 802¹³ of the 26th November). Within the last fortnight some new developments have taken place. Captain Ehrhardt stated in a public speech that the return of Kaiser Wilhelm was out of the question. 'I am for the monarchy, provided the overwhelming majority of the people want the monarchy, and provided the advisers of the monarch are drawn from all classes and are not the representatives of a special class. I have been accused of being a friend of Stresemann because I had the honesty to state that, at the present juncture, no other policy than that of understanding is possible. In view of the fact that the rest of the world is bristling with arms and that 20 per cent. of all Germans are traitors, no other course is possible.' This speech led to further recriminations.

Again, in November, internal dissension in Stahlhelm led to the secession of the extremist group, and the 29th [*sic* ? 20th]¹⁴ November the governing body issued a manifesto forbidding military training. 'In view of the fact that sporting displays continue to assume a military character, an order is hereby given that members of the Bund must abstain in the future from any form of military training or physical training which resembles military training in character.'

As regards the general development of the associations, Dr. Silverberg's speech (see Mr. Ingram's despatch No. 635¹⁵ of the 9th September) and the dismissal of General von Seeckt have had a chastening effect on the 'patriotic' movement. Fears exist lest the Government of the Reich should follow up the action of the Prussian Government of last May and issue orders restricting the activities if not actually dissolving some of the associations. The recent discussion in the foreign press has inten[s]ified these fears and the 'self-denying ordinance' issued by the 'Stahlhelm' may be traced to a desire to anticipate repressive legislation.

The Republican parties insist that the 'patriotic' associations are fundamentally and primarily subversive in character and that their sole aim is the

¹³ Not printed: cf. No. 298.

¹⁴ Cf. No. 308, note 2.

¹⁵ Not printed. This despatch reported on a speech at Dresden on September 3 by Dr. Silverberg, a well-known Rhenish industrialist. Mr. Ingram stated in particular: 'Dr Silverberg makes an important pronouncement when he says that "German industry is entirely in favour of the present State". After tracing the successful emergence of Federal republicanism from the danger of revolutionary socialism, he maintains that no serious-minded person could range himself with those extreme forces either of the right or of the left, which seek to overthrow the existing Constitution. He argues that confidence abroad must depend on the realisation that German industry as a whole favours and will continue to support stability at home in the shape of the régime ordained by the Weimar Constitution. This is the first occasion upon which so fundamental a pronouncement of faith has been voiced by the industrialists and its significance should not be minimized.'

overthrow of the republic. They insist that the idea of *revanche* or rectification by force of the eastern frontier is merely a suitable camouflage. On the other hand the recent development of physical training is somewhat disquieting, and suggests a desire to maintain a reservoir of suitable recruits should the need for them ever arise. For the moment Germany disposes of sufficient numbers of trained soldiers for any contingency.

No. 326

Letter from Sir A. Chamberlain (Geneva) to Sir W. Tyrrell
[F.O. 800/259]

GENEVA, December 6, 1926

My dear Tyrrell,

I keep repeating to myself that there must be a snag somewhere, but I am hopeful that we shall make real progress this week. I saw Vandervelde yesterday morning and do not anticipate that he will raise any difficulties provided that Belgium finds a seat at the table whenever France, Germany and Great Britain discuss the Rhineland and other questions of the Western frontier.

In the evening Stresemann called upon me and, putting together what passed between Briand and me, between Stresemann and me, and Stresemann and Briand, I think we must be very clumsy if we cannot arrange this week for the early withdrawal of the military control, for the entry into force simultaneously of League control to the extent already approved by the Council, i.e. without any *élément stable*,¹ and for the settlement of the railway guard for the Saar. If we can manage as much as that I shall indeed be well satisfied and, what is more important, Stresemann will be equally pleased.

Stresemann and Briand appear to have further discussed Thoiry. Stresemann told me that it had somewhat damaged his position in Germany, since such large expectations had been aroused and he was now reproached with the absence of any result. He now perceives clearly that no such financial operation as was there contemplated can be carried out until the French debt agreements have been ratified; but Parker Gilbert has told him that when that is done he sees no objection to an operation amounting to 2 milliards,² and as Parker Gilbert is satisfied Schacht has withdrawn his opposition, and Stresemann adds that he is beset with continual offers by American bankers, and that one English banker at least (name not mentioned) has written to him to beg that he may not be left out of so large a transaction. He observed, however, that he understood that the Governor of the Bank of England was unfavourable.

To all this I replied that the Treasury saw grave difficulties in the execution of such a programme which might be very profitable to the bankers but would certainly be very costly to the creditors. Further, I remarked that

¹ Cf. No. 297.

² The reference is presumably to gold marks.

Briand appeared to have come to the conclusion that it could only be carried through as part of a general revision of international obligations. I agreed with Stresemann that in any case no progress could be made till the French had ratified their debt agreements. Even then, I said that I expected the movement of American opinion to be slow and we could do nothing to help it forward. If there was to be a change, the Americans must be converted by Americans. It would not be done by threats or appeals from outside. All this showed that even if a large operation of the kind might some day be possible, that day was a long way off, and I invited him to consider whether he could not find some other offer to make to the French in return for a shortening of the period of occupation. It had occurred to me that, whilst Germany could not admit the *right* of the Council to place an *élément stable* in the Rhineland, he might be willing to consider the concession of that right in return for value received.

Stresemann observed that the demilitarisation of the Rhineland was a mutual obligation. It was proper that if there were any control it should watch the French as well as the Germans. Would a German be admitted to the body which I contemplated? I replied that this seemed to me a perfectly fair demand. He might well say that he could not accept the supposition that Germany was the only Power that might be suspected of some day committing a breach of its obligations. The Treaty of Locarno was mutual and it would be a perfectly fair proposition that Germany should be represented equally with France on such a body. He then asked what the people so appointed would do; What useful purpose could they serve? to which I answered that their usefulness would be to reassure the nerves of old women on both sides of the frontier; but would not it be a very good bargain from the German point of view if they could obtain an earlier withdrawal of the troops by allowing a few gentlemen to kick their heels in the Rhineland? I added that Blum had told a friend of mine that he did not think any French Government could agree to shorten the period except upon such a condition.³

Stresemann said that he would think over the idea. I told him that in mentioning it that morning to Vandervelde I said that I should suggest it as a thought to Stresemann, but that I should not ask for any immediate decision, for upon such a question it would clearly be necessary for Stresemann to consult his Government. All I wanted him to do was to turn the thought over in his mind, and see whether he could not frame some kind of proposal which he could lay before the Locarno Powers here in Geneva. I do not really expect to carry this matter to a conclusion in the week which is all that we shall spend here, but I think Stresemann was attracted and something may come of it later.

Stresemann himself has certainly been pretty ill and my wife was rather shocked by his appearance. I am glad to say that he is going away for four weeks of complete holiday which he proposes to spend under the care of

³ The reference is possibly to conversations on January 25, 1926, between MM. Paul-Boncour and Blum and Mr. Phipps: see Volume I, No. 213. See also No. 363 below.

a German doctor at Assuan. I shall write to Lloyd⁴ to ask him to show him any civility in his power when he passes through Cairo.

Yours sincerely,

AUSTEN CHAMBERLAIN

P.S. The Five Powers are to meet in my room this evening.

⁴ H.M. High Commissioner at Cairo.

No. 327

*Letter from Sir A. Chamberlain (Geneva) to Sir W. Tyrrell
(Received December 10)*

[C 12962/232/18]

GENEVA, December 6, 1926

My dear Tyrrell,

On reading through my letter¹ to you I see that I have omitted to mention a rather interesting part of Dr. Stresemann's conversation. He spoke to me about von See[c]kt's retirement and said that he was very glad that it had come about. Von See[c]kt never spoke and the Minister of Defence, who had been absent from his department for as much as six months out of twelve, never saw him and knew nothing of what was going on. Von See[c]kt was thought by some people to be a very able man. Stresemann himself had never made up his mind whether von See[c]kt's silence concealed real ability or merely an empty mind. In any case, von See[c]kt's successor was an entirely different kind of person. He had come frankly to Stresemann saying that he should regard himself merely as an organ of government, that he perfectly recognised that there could not be two governments or two policies in the Reich, and that he was merely a part of the administration. He should make his proposals to the government, take his instructions from them and carry out their policy.

Then, as if it were a matter of course, Stresemann went on to say how Heye had observed that if East Prussia were attacked by Poland he should do his best to defend it. Whether he could succeed he did not know, but at any rate he should do what he could if Pilsudski, whom he viewed with great suspicion on account of his past both in Russia and in Warsaw, launched an attack. All this, as I say, was introduced, almost as an aside and as if it had no particular consequence, into a description of the very much better relations which prevailed between the Govt. & the new Chef der Heeresleitung than with the old one.

I told Stresemann that I was convinced that Pilsudski would not be such a madman as wantonly to attack East Prussia. Poland would certainly receive no encouragement or support from France for such a policy. She would have every other Power against her, and she had surely difficulties

¹ No. 326.

enough upon her hands, to prevent anyone who was not a raging lunatic from embarking on such a mad undertaking.

Stresemann added that President Hindenburg had accepted von See[c]kt's resignation with great regret but without any hesitation as to its necessity. He had observed that von See[c]kt was a soldier and that he ought to have known and must have known that he had no right to admit the Crown Prince's son to the Reichswehr without consulting the President on a question which obviously had such a wide political importance.

It is clear that Stresemann himself is much happier with the new commander-in-chief, and that he anticipates that he will have much less difficulty with him in securing a loyal observance of the obligations which the German Government has undertaken and which it is his own desire to fulfil.

Yrs. sincerely

AUSTEN CHAMBERLAIN

No. 328

Sir W. Tyrrell to Mr. Kennard (Belgrade)

No. 71 Telegraphic [C 12845/391/90]

FOREIGN OFFICE, *December 7, 1926, 4.30 p.m.*

Your telegrams Nos. 145,¹ 146,² 148,³ 149, 150,⁴ 151 and 152⁵ (of December 3rd, 4th and 5th: Italo-Albanian Treaty).

Yugoslav Minister has made representations here in the same strain as those made to you by the King and Monsieur Nincic. He has been urged not to take a tragic view of the situation or to attribute without due reflection Machievellian [*sic*] and dishonourable intentions to the Italian government for which there is no evidence. Stress was laid on the apparent advantages to be found in the treaty, for instance the provision for arbitration, and still more important the statement for the first time in treaty form (except for the Ambassadors' Conference resolutions of 1921) of the Italian government's intention to maintain the *status quo* of Albania. Both of these features could not but be welcome to His Majesty's Government. As to Articles 1 and 2, if loyally interpreted they gave Italy no power as against the Albanian government to establish a protectorate over, or to land troops in, Albania; nor did we see any reason to assume—on the contrary—that the Italian government intended to distort these articles in the manner that the Yugoslav government feared.

You should use these arguments with Monsieur Nincic and impress upon him the folly of allowing himself to be prejudiced by the fact that the Italian government may not have adequately consulted the Yugoslav government beforehand, and of straightway concluding therefrom that the Italian government's real intentions are directly contrary to those which they profess,

¹ Not preserved in Foreign Office archives. This telegram related to difficulties in decyphering telegrams from Durazzo.

² Not printed.

³ See No. 321, note 2.

⁴ *V. ibid.*, note 1.

⁵ No. 321.

namely the maintenance of the *status quo* in Albania. As a conclusive proof of Italian *bona fides* you should inform Monsieur Nincic that the Italian government have said⁶ that they would welcome idea of a similar Yugoslav-Albanian treaty.⁷

Confidential.

For your own information I would add that I quite appreciate that the secretive manner in which the treaty has been brought off during the insurrection, the eleventh hour notification to the Yugoslav government, and last but not least the loose wording of Articles 1 and 2, may not at first sight inspire confidence, and do at any rate render the nervousness of the Yugoslav government comprehensible. We must however move very carefully in this matter lest by ill-advised interference we merely make further trouble. For this reason we prefer to wait and see how matters develop before considering the question of sounding the Italian government on the lines you suggest in last paragraph of your telegram No. 151 and No. 152.

Repeated Rome No. 283 and Durazzo No. 55.

⁶ See No. 312, note 2.

⁷ Mr. Kennard had meanwhile reported in Belgrade despatch No. 478 of December 7 that on the previous day M. Nincich had resigned as Minister for Foreign Affairs owing to a recent incident (i.e. the Treaty of Tirana) which had shaken the convictions on which his policy based on reciprocal agreements was founded. The Serb-Croat-Slovene Government resigned on December 7. In the light of these resignations Mr. Kennard was informed in Foreign Office telegram No. 80 of December 11 that there seemed no point in his taking the initiative as instructed above, but 'in any case you should do your utmost unofficially to dissipate any impression that may exist that His Majesty's Government had anything to do with the Italian treaty with Albania'.

No. 329

Sir W. Tyrrell to Sir R. Graham (Rome)

No. 284 Telegraphic [C 12845/391/90]

FOREIGN OFFICE, *December 7, 1926, 5.20 p.m.*

Your Excellency will have seen from Mr. Kennard's telegrams Nos. 148 to 152¹ and from Mr. Seeds' telegram No. 54² that not only is Serbia very suspicious of pact of Tirana but President of Albania himself has now qualms about it. We cannot advise Ahmed as to interpretation of his own treaty³

¹ See No. 321, notes 2 and 1, and No. 321 respectively.

² No. 315.

³ Mr. Seeds had been so informed in Foreign Office telegram No. 57 of December 7 to Durazzo in reply to No. 315. This telegram further approved Mr. Seeds's action reported in Durazzo telegram No. 55 of December 5 in pointing out to Ahmed Zogu Bey that the Italian Government would welcome the idea of a similar pact between Albania and the Serb-Croat-Slovene State.

and we believe that Serbia's fears are groundless, but fact remains that feeling both of Serbian government and people is very suspicious of treaty and His Majesty's Government fear that unless these suspicions are allayed situation may become serious.

As your Excellency knows the sole aim of His Majesty's Government is to ensure stability and tranquillity in the Balkans and they know that that is the object also of Italian policy but we are apprehensive that conclusion of this treaty may have contrary effect. His Majesty's Government find themselves in a difficult position as they are appealed to for advice and are very unwilling to take any hand in this question, but they are much impressed by statement of Italian Secretary General (see your telegram No. 244)⁴ that Italian government would welcome similar Yugoslav-Albanian pact and we are confining our action to impressing this statement on interested parties. His Majesty's Government do think, however, that situation would be greatly eased and Serbian suspicions allayed if Italian government would themselves let this be known publicly or even initiate negotiations at Belgrade for a Yugoslav-Albanian pact or the accession of Yugoslavia to pact of Tirana. It is not for His Majesty's Government to offer advice to Italian government and I therefore leave it to your discretion whether or not to bring these considerations to M. Mussolini's notice; but should you find a favourable opportunity for doing so you will say that our views are not prompted by any desire to interfere with Italian policy, but solely to aid that policy which as Italian Ambassador informed me on December 1st, is summed up in the hope that treaty of Tirana would help to stabilise situation in Albania and be a deterrent to any one who might be inclined to attempt to foster disturbances there in future.

Sir W. Tyrrell has spoken to the Italian Chargé d'Affaires in this sense.⁵

Addressed to Rome No. 284.⁶ Repeated to Belgrade No. 72 and Durazzo No. 56.

⁴ See No. 312, note 2.

⁵ For Signor Rosso's account of this conversation on December 6, and of an immediately following one with Mr. Gregory, of which no record has been traced in Foreign Office archives, see *I Documenti Diplomatici Italiani*, Settima Serie, vol. iv, pp. 406-7.

⁶ Sir R. Graham replied in Rome telegram No. 252 of December 9 that he had on the previous evening given to Marchese Paulucci, Chef de Cabinet to Signor Mussolini, a hint in the sense suggested. 'Marchese Paulucci said that Secretary-General had already clearly indicated to Yugoslav Minister here that Italian government would welcome a Yugoslav-Albanian pact on similar lines to their own. He did not think Signor Mussolini would go further than this for fear of risking a rebuff. . . . Signor Mussolini's irritation is evident from the curt Stefani communiqué in the press this morning to the effect that he has made no suggestions to Yugoslav Minister here and has not even seen him [cf. *op. cit.*, vol. iv, p. 412]. In the circumstances I do not see my way to any further move for the present but I feel sure that Yugoslav-Albanian pact or Yugoslav proposal to adhere to Italian-Albanian pact would be well received here.'

No. 330

Sir W. Tyrrell to the Marquess of Crewe (Paris)

No. 280 Telegraphic: by bag [C 12731/436/18]

FOREIGN OFFICE, December 7, 1926

Your telegram No. 404¹ section 3 (of the 3rd December: Königsberg etc. fort[i]fications).

You may accept any Franco-German agreement regarding the fortifications resulting from the discussions with von Pawelsz now proceeding in Paris. In the absence of such agreement we should have to consider, in the light of the arguments adduced by both sides during the discussions what our future action is to be.

¹ No. 316.

No. 331

Sir W. Tyrrell to the Marquess of Crewe (Paris)

No. 281 Telegraphic: by bag [C 12807/436/18]

FOREIGN OFFICE, December 7, 1926

Geneva telegram No. 7¹ of December 6th (Winding up of military control in Germany).

Are we right in supposing that agreement on outstanding questions will take the form of a protocol between the Ambassadors' Conference on the one hand and the German Ambassador (or Dr. Förster) on the other, whereby the German government for their part will undertake, without loss of time, to take the necessary legislative and administrative measures agreed upon, and the Conference of Ambassadors for their part will agree to withdraw the Commission of Control on the strength of this undertaking, on an early date which will be fixed irrespective of the time required by the German government to take the above-mentioned legislative and administrative measures. Such a protocol might also conveniently embody the arrangement to be made at Geneva providing for the supervision, after the withdrawal of the Commission of Control, of what the Germans will have undertaken to perform.

Whether or not it will be necessary to insert a stipulation that Germany shall agree, on the withdrawal of the commission, to the League carrying out of investigations under Article 213² in accordance with the present scheme, will presumably depend on the outcome of conversations at Geneva.

As regards the outstanding questions, are we right in thinking that the present position is as follows:—

- (a) Whole of police question is settled and compromise arrived at only requires to be formally confirmed in writing.

¹ See No. 333, note 7.

² Of the Treaty of Versailles.

- (b) Question of illegal enlistments will be settled if and when Förster has satisfied Conference on the subject of sanctions.
- (c) Question of associations will be settled as soon as amendment regarding punishment of individuals is inserted in draft circular to federal states.
- (d) Question of alienation of excess military establishments cannot be settled until the promised programme is submitted by the Germans and accepted by the Conference.
- (e) Conference is still waiting to see the draft law on import, export and manufacture of war material which the Germans have promised to submit.
- (f) All other outstanding questions, as enumerated in the General Staff memorandum, have been referred to the Commission of Control for speedy solution.

I hope that this further reference to the Commission of Control of questions under (f) will not mean further delay and that you will be able to get the Conference tacitly to drop these minor outstanding questions if the solution of any of them is found to delay the winding up of control.

The one point to which we do attach great importance is, as you know, the question of war material, more especially munitions, machinery and tools. We understand that the draft law has now been submitted to the Commission of Control who have serious criticisms to make with regard to many of its provisions more particularly those dealing with the export trade. Will it be humanly possible in these circumstances to reach an agreement before the end of the week?

I have dealt with the Königsberg fortifications in my telegram No. 280.³ It would probably be preferable that this question should not be included in any protocol for winding up the Commission of Control, inasmuch as this infraction of the treaty does not in any case constitute a reason for keeping on the commission.

Repeated to Geneva No. 107. (By Bag).

³ No. 330.

No. 332

Memorandum by Mr. Hamilton-Gordon

[N 5452/387/38]

FOREIGN OFFICE, December 7, 1926

Arguments against breaking off relations with the Soviet Government

1. To do so would be a retrograde step from the point of view of the progressive Locarnisation of Europe. In the words of the Secretary of State, 'it would introduce a new and disturbing issue into the political and economic sphere'.¹

¹ The quotation was from Sir A. Chamberlain's speech on June 25: cf. No. 80, note 7.

2. We hope that some day Great Britain will be on good terms with a respectable Russia, and a break would take us away from this goal rather than towards it, for we should find it harder to renew relations after breaking them off. ('There is no use in slamming a door which has only got to be opened again quite soon'—Mr. Gregory's minute in June 1926.)²

3. We should immediately suffer a serious trade loss in the shape of British concessions in Russia and of orders in hand in this country for Russia. British business has been expanding its Russian commitments recently on the strength of Government assurances that no change of policy was likely.

4. Russian credit in the City would at once be impaired. This would express itself in a contraction in the length of credit-terms offered for Russian orders and, since length of credit is the vital factor to the Russians at present in their foreign trade, London would become less attractive to them and there might be a tendency for us to lose some of their business to New York, or to any centre which could be persuaded to grant longer terms.

5. The step would have the effect of encouraging the left wing in Moscow, who would rejoice at the thought that we were at last being forced to treat them as a serious problem. It would not in fact be in accordance with the 'contempt' policy, which was chosen as being the most likely to succeed with the Bolsheviks.

6. Similarly, revolutionary elements in the Far East and other parts of the world would announce that the British Empire, the strongest bulwark of capitalism, was becoming alarmed.

7. A harmful effect might be produced in England, some industries being disturbed and unemployment increased.

8. The control of propaganda in this country might become more difficult, in the absence of a nominally friendly diplomatic mission in Chesham House.

9. The British subjects who are still owed money by the Russians would complain that our action postponed their chances of repayment.

10. Considerable inconvenience, and even embarrassment, would result from the necessity of conducting routine business with the Soviets in a neutral capital.

11. And finally, we should, by breaking off relations, neither stop the 'red gold' coming into England, nor put an end to anti-British propaganda all over the world, since this is no more nor less than a missionary religion with the extreme Bolsheviks.

* See No. 56.

No. 333

Sir A. Chamberlain (Geneva) to Sir W. Tyrrell (Received December 9)

*No. 49 L.N.C. [C 12917/436/18]**

GENEVA, December 7, 1926

The British delegate to the League of Nations presents his compliments, and has the honour to transmit a copy of unofficial notes of a meeting held

in Sir Austen Chamberlain's room on the 6th December, respecting military control in Germany and the League scheme of investigation.

ENCLOSURE IN No. 333

Unofficial Notes¹ of a Meeting held in Sir Austen Chamberlain's Room at 6 p.m. on December 6, 1926, at the Beau Rivage Hotel, Geneva

The following were present:—

Sir Austen Chamberlain.
M. Briand.
Dr. Stresemann.
M. Vandervelde.
M. Scialoja.

Accompanied by:—

Herr von Schubert.
M. Hesnard.
M. Schmidt.
Mr. Troutbeck.

At Sir Austen Chamberlain's suggestion, DR. STRESEMANN spoke first. He suggested that it was desirable to discuss the two questions of the termination of military control and the system which was to replace it in the future. He said that the points of German disarmament still outstanding represented a very small percentage of the whole, and that the negotiations now proceeding at Paris should speedily bring matters to a conclusion. His view was that a definite date for the termination of control must be fixed here at Geneva. If any points still remained over they could be treated from Government to Government. Such control as would exist in the future would be for the League of Nations, and as to this discussion was necessary.

M. BRIAND agreed that the position had been well stated by Dr. Stresemann. He said that in order to avoid confusion it was necessary to distinguish between three aspects of the question: (1) Allied control, (2) League investigations, and (3) the system of supervision in the demilitarised zone. He agreed that we must reach a settlement as regards control, and that only a little goodwill was required to settle the unimportant points that were still outstanding. He was convinced that in a few days these points would be settled, after which there would be no obstacle to the disappearance of control. A date for its termination could be fixed, if a final settlement of the points was agreed and if Germany accepted the right of the Council to make investigations if required.

As regards investigations under article 213,² M. Briand admitted that that article did not specifically provide for supervision in the demilitarised zone;

¹ *Note in filed copy:* 'These notes are in no sense to be taken as official. They have not been seen or checked by any of the foreign representatives present. They should therefore on no account be quoted textually.'

² Of the Treaty of Versailles.

for that an agreement must be reached between the interested parties. The wording of article 213 was of a general character, but he admitted that it covered no special form of investigation in the Rhineland.

Turning to League investigations in general, M. Briand pointed to the difficulties that a formal rediscussion of the existing scheme³ would entail. The scheme had been worked out at length by the Permanent Advisory Commission and agreed to by the Council. If modifications had to be made it would cause great loss of time, and he suggested that the points upon which Dr. Stresemann had reservations to make would better be examined among those present; he was convinced that an exchange of views would lead to agreement.

SIR AUSTEN CHAMBERLAIN expressed agreement with M. Briand's views. In his opinion great progress had lately been made in Paris, and he suggested that the Ambassadors in that city might be instructed to do their utmost to expedite agreement on the points of military control there under discussion, in order that it might be possible to fix a date for the termination of military control before the Council meeting came to an end. He suggested that similar instructions should be sent to Berlin, where other questions were being negotiated. At the same time, Germany must undertake to carry out the agreements reached and allow the Council to make investigations if so requested.

As regards the scheme of investigation, Sir Austen Chamberlain expressed his entire agreement with M. Briand that a re-examination of the scheme was to be deprecated. He understood that Dr. Stresemann attached great importance to it being clearly laid down that only the Council itself could decide upon an investigation and that the investigating commissions could not undertake investigations without express instructions by the Council. Sir Austen Chamberlain here referred to the statement he had made on this point at Locarno (see Locarno despatch No. 44⁴ of the 19th [17th] October, 1925), when he had read aloud the provisions of chapter I of the League scheme of the 27th September, 1924, which are to the effect that, though any individual Government that is a member of the League can bring any report to the knowledge of the League through the Secretary-General, yet on each occasion it rests with the Council to decide whether or not it will exercise the right of investigation conferred upon it by the treaties.

Sir Austen Chamberlain thought that all were agreed that nothing in the way of continual investigations was contemplated under the scheme, and that each investigation must be undertaken with some specific object. He proceeded to quote from the scheme to show that this was its clear meaning.

DR. STRESEMANN here drew attention to the provision for annual programmes, provided for in chapter III of the scheme.

SIR AUSTEN CHAMBERLAIN pointed out that these were only contemplated *if necessary*.

³ i.e. the scheme approved by the Council of the League of Nations in September 1924: cf. No. 11, note 6.

⁴ Not printed.

M. BRIAND added that, even in that event, it was for the Council itself to decide whether an investigation should be actually undertaken.

SIR AUSTEN CHAMBERLAIN proceeded to explain the working of the scheme as contemplated. He pointed out that the Permanent Advisory Commission, which recommended investigations to the Council, was a commission of the Council and not of the Allies. The Council, moreover, was the body that decided if an investigation was to take place, and also would fix the limits and objects of each investigation. The investigating commissions themselves had no power under the scheme to exceed the precise instructions of the Council.

DR. STRESEMANN stated that the phrases 'each year' and 'programme' in chapter III of the scheme had caused anxieties in Germany, and enquired whether it would not be possible to lay down for public record the interpretation of the manner in which investigations would work.

M. BRIAND saw no objection to this, and it was agreed that the jurists should be invited to work out a question and answer to the points on which the Germans required assurances, this to be formally recorded by the Council when it proceeded to reappoint the presidents of the investigating commissions.

DR. STRESEMANN then raised a further point, viz., the rights of the commissions of investigation. He declared that it would be necessary to ask the Reichstag to pass a special law in order to give the investigating commissions the rights that had been contemplated for them by the League, and added that this would be a matter of considerable difficulty to the German Government, particularly as he was advised that modifications would have to be made in the Constitution.

SIR AUSTEN CHAMBERLAIN asked whether he might put the following question to Dr. Stresemann. He was not a lawyer, but, speaking as a layman, was it not the case that, once the Parliament of a country had approved a treaty, it was open to the Executive to take all measures for the execution of the treaty without consulting Parliament further? In the present case Germany had by article 213 of the treaty undertaken to give every facility for any investigation which the Council might consider necessary. Seeing that the treaty had already been approved by the Reichstag, was not the German Government thereby empowered to carry out all measures resulting from article 213 without further approval of the Reichstag? Was it, in fact, necessary to pass a law through the Reichstag?

DR. STRESEMANN replied that he was assured by Dr. Gaus that a law would be necessary, as it had been necessary in other cases.

HERR VON SCHUBERT added that the present difficulty resulted not from the League scheme of September 1924, but from the further protocol adopted by the Council on the 14th March, 1925.⁵ He suggested that the lawyers might be able to work out some compromise by which the German Government would be saved from having to pass a law through the Reichstag; for the Reichstag would certainly never pass a law in the sense desired.

M. BRIAND agreed that the lawyers might be asked to find a formula.

⁵ See *League of Nations Official Journal*, April 1925, pp. 489 and 608-9.

DR. STRESEMANN said that he had been informed by Dr. Gaus that the rights asked for the investigating commissions were more extended even than for those given to the control commissions.

SIR AUSTEN CHAMBERLAIN invited Dr. Stresemann to look at the matter from the other point of view. For instance, without the right of search, to which the German Government raised particular objection, investigation would be a futility.

M. BRIAND suggested that agreement might be reached by giving the investigating commissions merely the same rights of search as those granted to magistrates in Germany. He agreed that more could not be asked, but felt that the Germans ought to be able to accept that much. He pointed out that investigations would not be lightly undertaken and, indeed, that an investigation was the last thing that he for his part ever wished to have to demand.

M. VANDERVELDE said that he had been struck by Dr. Stresemann's observation that the scheme gave the investigating commissions greater powers than were possessed by the Control Commission. He said that there should certainly be no reason for that.

It was then agreed that the lawyers should be asked to examine the point.

DR. STRESEMANN then asked that the third of M. Briand's three points should be discussed, viz., investigations in the demilitarised zone.

M. BRIAND repeated that this was a question outside the Treaty of Versailles and said that he did not wish to uphold the thesis that it was covered by article 213. At the same time the German Government could scarcely argue that investigations could not take place in the demilitarised zone. What was necessary was that agreement should be reached about the special form of investigation that would be required in the Rhineland, and he suggested that it would be to Germany's advantage to come to such an agreement as it might facilitate the earlier disappearance of the existing occupation. M. Briand emphasised that he was not seeking for any system which would be humiliating to Germany. All he wanted was an unobtrusive, invisible organisation which could quickly observe any infraction of the demilitarisation clauses and communicate the fact quickly to the Council. It was of importance for him to have some organisation of the kind in order to quieten the anxieties which were felt in France in regard to the Rhineland.

M. VANDERVELDE suggested that such an organisation could be arranged by the Locarno Powers and ought not to be difficult to agree upon.

SIR AUSTEN CHAMBERLAIN agreed with M. Briand that such an organisation could not be demanded as a right, but required agreement among the interested Powers. He pointed out that the demilitarisation of the Rhineland had acquired a wholly new character since Locarno. Locarno had provided for obligations on both sides and Sir Austen Chamberlain suggested that the question of investigations in the demilitarised zone should be treated on the same mutual basis. Any organisation set up should have as its task to watch over not only the Germans, but the French and Belgians as well, on equal terms.

M. BRIAND added, as a personal explanation, that it had been on his initiative that this subject had always hitherto been adjourned when it came before the Council. His reason had been that the matter lay outside the treaty and also it ought only to be discussed in the presence of the Germans. He suggested that the lawyers might work out some system in this case also.

M. SCIALOJA said that, in his opinion, the difficulty was not in the investigations themselves, but in the notification ('dénonciation') of the matters about which investigations would be required. There was, in fact, a gap in the treaty which would have to be filled. The treaty provided for investigations, but did not provide for a system by which the Council would be advised of the matters on which investigations would be wanted. The matter was less a juridical question than a practical military one.

SIR AUSTEN CHAMBERLAIN said that a system must be devised which would spare us a lot of useless investigations carried out on flimsy information.

DR. STRESEMAN said that the German anxieties on this score had arisen from chapter V of the League investigation scheme of the 27th September, 1924. But it resulted from the explanations given by Sir Austen Chamberlain and M. Briand that permanent control was outside the treaty. This point in the German note to the Council of January 1926⁶ might therefore be considered settled.

As regards M. Briand's suggestion of creating an organisation by agreement to notify to the Council infractions of the demilitarisation clauses, Dr. Stresemann felt there were two dangers. In the first place, from a political point of view, it would surely detract from the work of Locarno if it were arranged to set up a body of this kind to watch over the observance of the Locarno Treaty. What would be the impression on the world if a few years after the solemn declarations made at Locarno, it was felt necessary to set up an organ of investigation to see that the declarations were observed? In fact, such an organisation might well create more difficulties than it would solve. Secondly, although it might be recognised here in private that the body set up would, in fact, be a passive rather than an active body, yet its creation would surely increase the activities of the forces opposed to Locarno and weaken the faith of the forces in its favour.

As a secondary point, Dr. Stresemann asked M. Briand whether he connected the proposed organisation with the earlier withdrawal of the armies of occupation, or was it merely connected with the general scheme of investigation?

M. BRIAND said he could not make any formal engagement about the earlier withdrawal of the armies of occupation. All he would say was that the mere fact of setting up an organ of investigation in the Rhineland would tend to facilitate matters in that direction. For the rest, he pointed out that what was required was something to assuage the anxieties of public opinion. Public opinion in France required to have some assurance against the possible disappearance of the present peace-loving Government in Germany.

⁶ See Volume I, enclosure in No. 185.

SIR AUSTEN CHAMBERLAIN said that, with regard to Dr. Stresemann's first point, an agreement made by the Locarno Powers would not, in his view, damage Locarno. Everybody knew that the question of League investigations in the Rhineland had caused difficulties for the last two years. If it were possible to announce that those difficulties were settled, Locarno would not be damaged but strengthened. At the same time, he admitted that it would be difficult for Dr. Stresemann to make a concession on this point without knowing whether it would bring him concrete results. Sir Austen Chamberlain therefore suggested that this question might be left over and taken up again at a later date.

M. BRIAND agreed and suggested that, for the moment, it might be left that the question of the 'élément stable' was one that must be settled by agreement and could not be imposed upon Germany.

M. VANDERVELDE said that this was a question which, unlike military control and League investigations in general, greatly exercised public opinion in Belgium. His view was that the arrangement to be set up in the demilitarised zone must be a bi-lateral one.

M. BRIAND then summed up the results of the discussion and said that instructions must at once be sent to Paris and Berlin to get agreement on the outstanding questions of military control; if supervision were required of the execution of the agreements reached, the matter could be left to the League.⁷ The lawyers would be invited to work out an interpretation of the various points in the League scheme which had been discussed, and to prepare a formula which could be submitted to the Council.

DR. STRESEMANN said he had one further point to raise which, though not at the moment a practical one, was continually being talked of in Germany. Chapter IV (f) of the League scheme laid down that the nationals of States subject to the right of investigation should not form part of the commissions of investigation. This, it was felt, was prejudicial to Germany's position, and he asked if some arrangement could not be reached about it.

He added that, in his opinion, a great advance would be made in the Locarno policy if we could leave Geneva with agreements about (1) the termination of military control and (2) the League scheme. He agreed with the suggested solution regarding the Rhineland, viz., that it should be arranged on the basis of a voluntary bi-lateral agreement. He stated that he would reflect on this matter and submit it to the Cabinet in Berlin.

SIR AUSTEN CHAMBERLAIN said that as regards chapter IV (f) of the League scheme, to which Dr. Stresemann had referred, it was his view that it would be far preferable to avoid endeavouring to modify the scheme as it at present stood. This paragraph referred only to League investigations in pursuance of the treaties of peace. He saw the gravest inconvenience in setting a Hungarian to investigate in Germany for this purpose or a German in Hungary. But he understood that what Dr. Stresemann had in mind was the general system of investigation which might follow on a general reduc-

⁷ Instructions were sent accordingly by Sir A. Chamberlain in Geneva telegram No. 7 to Paris and 4 to Berlin of December 6, repeated as No. 210 L.N. to the Foreign Office.

tion of armaments reached by the Conference on Disarmament. This was quite a different thing and Germany would certainly be entitled to be represented on it.

M. BRIAND agreed and suggested that the best plan was to leave these points of difficulty to the jurists to discuss.

The meeting then broke up after agreeing merely to inform the press that a satisfactory discussion had taken place.

No. 334

Sir R. Lindsay (Berlin) to Sir A. Chamberlain (Received December 10)

No. 825 [C 12969/234/18]

BERLIN, December 7, 1926

Sir,

I have the honour to report that the German press of the 4th of December gave publicity to an article contributed to the Manchester Guardian by its Berlin correspondent on the 3rd of December giving details of military co-operation between Germany and Soviet-Russia.¹

2. Wolff's Bureau issued the following brief statement on the 4th of December:— 'An English newspaper publishes details regarding alleged relations of a military nature between German and Russian Government departments. As similar allegations have been refuted repeatedly it is hardly necessary to deal with this latest repetition, the manifest object of which can only be to disturb the negotiations now pending at Geneva'.

3. Vorwärts of the 5th of December criticised the Wolff communiqué sharply for concealing the name of the Manchester Guardian, 'a newspaper immune from the suspicion of disturbing the Geneva negotiations' and added that the Social Democratic party who were engaged at the moment in a campaign against reaction in the Reichstag would insist on thorough investigation of the latest accusations. 'The Reichswehr must be placed henceforth under the control and tutelage of the Reichstag and the responsible Government. It should not be allowed to cultivate relations with the patriotic associations and import arms from Russia for the use of Stahlhelm, Viking and Wehrwolf in the event of an "internal political" crisis'.

4. Rote Fahne of the 5th of December, 1926, indignantly denied the statement of the Manchester Guardian that shiploads of arms had reached Germany from Russia, and challenged Vorwärts or the Manchester Guardian to give the names of the ships and details of the cargo.²

5. Berliner Tageblatt of the 6th of December apparently made enquiries of the competent authority and published the following semi-official account of the facts:—

'The statements of the Manchester Guardian are in the main correct, but deal with a period which, we are assured, belongs to the past. To understand

¹ In this connexion cf. K. Rosenbaum, *Community of Fate*, chapter vii.

² Cf., however, No. 133.

the position it will be remembered that in 1921 the London Ultimatum³ was delivered and the manufacture of civil aircraft in Germany suppressed. In 1922, the abortive conference at Genoa took place. The Rapallo Treaty⁴ followed and the invasion of the Ruhr took place. As a result of the suppression of aeroplane construction, several German firms erected factories abroad. Thus Fokker went to Holland and Dornier to Pisa. This was legitimate because the Treaty of Versailles, while forbidding the export of war material, does not forbid the emigration of German industry. At that time, the Russians made efforts to obtain armament plants and negotiated with Berlin at the time of the Wirth-Rathenau cabinet.⁵ The Russian wishes tended then and later towards a defensive alliance which the Germans could not accept because they were not in a position on their side to extend armed help. The possibility of Polish aggression was contemplated at the time and during the negotiations the question whether Russia would be ready to frustrate a Polish onslaught on Germany was no doubt discussed. That was the situation when the erection of armament factories on Russian soil was discussed and when agreements, incidentally against Ebert's⁶ advice, were reached between individual firms on a private basis.

'Three factories were set up by German engineers in Russia; a branch of Junker's factory, a shell factory and a gas factory. Junkers purchased an old factory but did not construct many machines owing to lack of suitable material and unsatisfactory conditions generally. The two other factories purchased old buildings. The gas factory was set up though it did not function, while the shell factory commenced production. Naturally the existence of these undertakings managed by former German officers could not remain a secret to the Entente Powers. No protest could be made because, as already stated, the emigration of industry abroad did not violate the Versailles Treaty.

'If Germany imported arms and ammunition from these factories the Treaty would undoubtedly be violated. On the other hand it is pointed out on the German side that it would have been a violation of the treaty had the Entente Powers suppressed civil aviation and forbidden the manufacture of ammunition in Germany. By only giving a licence to the smaller firms for manufacturing ammunition the Entente hindered the Reichswehr from obtaining the quantity of ammunition allotted by the Treaty. In order to make up the deficit orders could be placed with the shell factory established in Soviet Russia. In this way (so we are informed) a breach of the treaty would have been committed by both sides, but the German breach would have only been the sequel to that committed on the Entente side.

'It seems that all the Chancellors, foreign ministers and secretaries of state for Foreign Affairs were aware of the industrial connection which began in

³ See First Series, Volume XV, appendix 2 to No. 85.

⁴ The German-Soviet treaty of April 16, 1922, is printed in *British and Foreign State Papers*, vol. 118, pp. 586-7.

⁵ Dr. Wirth had been German Chancellor from May 1921 to November 1922.

⁶ Dr. Ebert had been German President from February 1919 to February 1925.

1922. The first Chancellor who remained in ignorance was Dr Marx, but when he assumed office the state of affairs had altered considerably. The policy of Locarno was exercising its influence. Since the conclusion of the Locarno treaties, we are informed, no new orders have been placed in Soviet Russia. They would have been in fact superfluous because Germany has been free to manufacture ammunition in sufficient quantities since some six months ago'.

6. The extreme nationalist 'Deutsche Zeitung' of the 6th of December states that the plan of reconstructing Germany's armament in Russia originated in 1919 in Rathenau's mind. Vorwärts agrees that this may have been the case as Rathenau was a passionate patriot whose feelings sometimes obscured his understanding.⁷

I have, &c.,
R. C. LINDSAY

⁷ In the course of a minute dated December 13, Mr. Huxley stated: 'There seems to be nothing of immediate significance in all this; though of course the unholy alliance between extreme Right in Germany and extreme Left in Russia (behind whom are ranged the latter's German tools) is a permanent factor of a certain importance.' This minute was initialled by Sir W. Tyrrell and Sir A. Chamberlain.

No. 335

*Letter from Mr. Holman (Paris) to Mr. Troutbeck (Geneva)*¹

[C 13264/436/18]

PARIS, December 7, 1926

Dear Troutbeck,

Geneva telegram No. 7² of December 6th.

I note that you are anxious that agreement should be secured on outstanding disarmament questions before Saturday next.³ I have discussed the matter with the Military Attaché, and we have come to the conclusion that there are only three questions outstanding which we can deal with here in Paris. They are: Associations, Koenigsberg fortifications, and possibly training in unauthorised weapons.

I asked Förster to come round this morning in order that I might discuss the various questions with him, in order to see what progress had been made and what was the best method of reaching a speedy agreement on the points in question.

Associations

You will remember that at the last meeting of the Conference Massigli specified three points on which he needed satisfaction before he could con-

¹ A copy of this letter was received by Mr. Sargent in the Foreign Office on December 8.

² See No. 333, note 7.

³ December 11, 1926.

sider the question satisfactorily settled, namely, (a) sanctions against members of the Reichswehr for their activities with associations (b) sanctions against individual members or groups belonging to associations and (c) warnings by states to associations.⁴ Förster assured me that he could give satisfaction on these three points, and that he considered the question as practically settled. He intended, according to Massigli's suggestion, to add a paragraph to the draft circular letter⁵ from the Central Government to the local Governments in regard to sanctions against individual members or groups belonging to associations (I gave you a copy of this letter when you were here). He said that instructions existed with regard to the activities of members of the Reichswehr in connection with associations, and that he would be able to provide us with the necessary information. He thought that there would be no difficulty in getting states to send warnings to associations in cases in which they had infringed the regulations. As far as I can see, unless anything unexpected happens the association question should not give any further trouble.

Koenigsberg

As you know von Pawel[s]z is here in person, and was received by the Versailles Committee yesterday. I enclose for your information copy of the Military Attaché's report to the War Office on the subject.⁶ Von Pawel[s]z is furnishing the Versailles Committee this evening with a full written statement of the German case and the necessary maps. The Versailles Committee will consider this at 11 a.m. tomorrow. The Military Attaché thinks that the French will agree to the leaving of existing 'abris' (less those in forward positions) provided the German Government undertakes to make no more, and guarantees that no more have been made; but he is not sure of the Italian attitude. Should the Versailles Committee produce a report on these lines, it might be possible to discuss it at a meeting of the Conference. Pending a decision by the Versailles Committee I am unable to take any further steps in the matter. At present it looks as though it may not be possible to reach agreement before Saturday, but we must hope for the best. Seeing that we have always considered the question to be outside the scope of the present functions of the Commission of Control, I do not see why failure to reach agreement on the question should prevent the Control Commission leaving, provided that the other time-limit questions are satisfactorily settled, and the matter being handed over to the League.

⁴ See No. 316.

⁵ *V. ibid.*, note 4.

⁶ Not printed. Major-General Clive's report stated in particular: 'General von Pawelsz, assisted by Captain Doberg, described the new works in detail. He claimed that in allowing the existence of defences on the German coast line or the Southern and Eastern frontiers, Articles 180 and 196 can only mean that these defences should be such as to fulfil the object for which they are designed; there is therefore no breach in replacing a fallen-in war dug-out by a concrete one. He insisted that nothing but replacements had been undertaken, and that the present state of these defences, including the new works, leaves the "System" far less valuable than what they had in 1920.'

Training in Unauthorised Weapons

You will remember that in our General Staff memorandum⁷ we expressed the opinion that the question should be dropped. The French, however, in their reply⁸ considered that this question was of certain importance and it was, therefore, not included in the list of minor points on which instructions were recently sent out by the Versailles Committee to the Commission of Control.⁹ We have hesitated to bring up the question here as such a course might give rise to endless discussion. Seeing, however, that there is no agreement between the allies on this point it has not been possible for us to take any steps to discuss the matter with the Germans. I personally feel that it would be much more satisfactory if you at Geneva could somehow or other get the French to make a concession on this question. In the meantime the Versailles Committee will discuss the matter with Walch who arrives to-morrow night and endeavour to reach some compromise.

War Material

I discussed this question at length with Förster. He told me quite frankly that negotiations had come to a standstill, as both sides had gone to the limit of making concessions in accordance with their instructions. It would not¹⁰ be necessary he said for new instructions to be sent if any progress were to be made. He suggested, and quite justly I think, that pending the settlement of the outstanding points the German Government might promulgate the required law adding certain reservations regarding the points on which agreement had not been reached. Förster pointed out that it could hardly be considered necessary for the Control Commission to remain on in Germany to discuss the drafting of the outstanding points. I think there is a good deal to be said in favour of this point of view. Personally I see no reason why the Commission of Control should stay on in Germany for this purpose. It might, of course, be still be kept in being either in Coblenz or Paris as a military body for dealing with any matters which had not been settled between the Germans and the ex-Allies when the League investigations scheme comes into force. By thus keeping the Commission of Control in existence for a time, we might be giving some satisfaction to the French.

I observe that your telegram was similarly addressed to the Control Commission, and it is, of course, up to them to deal with all the questions which they have in hand.

Yrs ever,
ADRIAN HOLMAN

⁷ Enclosure in No. 275.

⁹ See No. 306, note 13.

⁸ Enclosure in No. 301.

¹⁰ On the original this word was bracketed.

No. 336

Mr. London (Geneva) to Sir R. Lindsay (Berlin)

No. 6 Telegraphic [C 12893/436/18]

Immediate

GENEVA, December 8, 1926, 1.15 p.m.¹

Addressed to Berlin No. 6 of December 8th.

Following from Secretary of State:—

Your telegram No. 26.²

If we do not settle security for termination of control while here effect of our failure on public opinion in all countries will be serious and control may well drag on indefinitely. I have spoken seriously to Schubert on necessity for immediate agreement and I must press that necessity with equal urgency on you and General Wauchope. I regard it as little short of a disaster to have the agreement wrecked on this one point whilst others seem in course of settlement.

Repeated to Paris No. 9 and Foreign Office No. 215.

¹ Time of repetition as No. 215 L.N. to the Foreign Office (received on December 8 at 1.30 p.m.).

² Not printed. This telegram of December 7 was summarized in No. 339.

No. 337

Mr. London (Geneva) to Sir W. Tyrrell (Received December 8, 1.20 p.m.)

No. 216 L.N. Telegraphic [C 12887/436/18]

Immediate

GENEVA, December 8, 1926, 1.15 p.m.

Following from Secretary of State:—

(? My telegram No. 6) to Berlin.¹

Please give any help you can. Surely some compromise is possible?

Addressed to Foreign Office No. 216 and to Paris No. 10.

¹ No. 336.

No. 338

Sir R. Hodgson (Moscow) to Sir A. Chamberlain

(Received December 8, 6 p.m.)

No. 263 Telegraphic [W 11430/78/98]

MOSCOW, December 8, 1926, 3.10 p.m.

Soviet government have in my opinion committed themselves too far in defining their attitude towards disarmament in general and League of Nations conference in particular to allow of their refusing an invitation once they are deprived of the only pretext on which they could justify their

abstention without stultifying themselves. Moreover I consider that their economic necessity no less than their number of paper protestations of pacific intention imposes upon Russia's . . .¹ in fact . . .¹ strong probability is therefore that once conflict with Switzerland is allayed they will accept invitation if offer . . .² will however not entail modification of Soviet attitude towards League of Nations and delegates will attend with settled conviction that invitation conceals some hostile manoeuvre and entirely sceptical as to possibility of a conference convoked by Bourgeois powers being genuine in intention or efficacious in result.

Addressed to Foreign Office No. 263. Repeated to Consul Geneva.

¹ The text is here uncertain. Another text of the telegram here read: 'imposes upon Russians (? a policy of pacifism) in fact. Strong probability' &c.

² The text is here uncertain. Another text of the telegram here read: 'if offered. This will' &c.

No. 339

Sir W. Tyrrell to Mr. London (Geneva)

No. 109 Telegraphic [C 12905/436/18]

FOREIGN OFFICE, *December 8, 1926, 9.25 p.m.*

Your telegram to Paris No. 7.¹

Following paraphrase of telegram has been received by War Office from General Wauchope:—

'No. 392. 8/12/26.

'I had a conversation yesterday evening with Doctor Clodius as General von Pawelsz is still in Paris. He was very pleased with the progress of the negotiations in Paris as regards the police question. He informed me he would forward proposals for distribution of police to Commission of Control within fifteen days but that it would take two or three months before the necessary State laws were drafted by the different states. Regarding the export of war material, he stated that German industrialists would not agree to our proposals regarding the export and import of special tools, gauges, etc., or as regards half-wrought material, but I formed the impression that if the date of withdrawal of the Commission was not fixed until these two questions were in conformity to our views, the German government would yield on these two points. The Ambassador wired² to Geneva yesterday afternoon that General Wauchope considered the German draft law should not be agreed to unless the Germans accepted our views on these two points; this is in conformity with your telegram³ received last night.

'The German draft law will reach Paris December 9th with observations by this commission.'

¹ See No. 333, note 7.

² In Berlin telegram No. 26: see No. 336, note 2.

³ This telegram from the War Office is untraced in Foreign Office archives.

Would it be possible to bring pressure to bear on Doctor Stresemann to instruct Berlin to yield as regards traffic in special munition tools, &c. Director of Military Operations attaches great importance to our demands as regards these articles.

Repeated to Paris by bag.

No. 340

Sir R. Lindsay (Berlin) to Mr. London (Geneva)

No. 28 Telegraphic [C 12916/436/18]

BERLIN, December 8, 1926, 9.28 p.m.¹

Addressed to Geneva No. 28.

Your telegram No. 6.²

As Inter-Allied Control Commission here has no authority to take decisions but must refer to Paris, I have today seen senior official at German Foreign Office.

He had received telegram from Schubert which he said merely instructed him . . .³ matters. I said this did not help. What was wanted was that German government should accept allies' modifications of German draft law and for this instructions would have to be telegraphed by German government to their representatives in Paris. He said this would involve alteration of a German Cabinet decision. He was willing to try to obtain this but would first have to get authorisation of German Minister for Foreign Affairs. I impressed on him urgency of situation and he promised to act at once.

Official asked what the position of other disarmament questions was. I replied that they must be settled at Paris and that I was only discussing now question of import and export.

Confidential. It is possible that Schubert's telegram to Berlin may have contained more definite instructions than could be admitted by official with whom I spoke. Latter obviously could not be quite frank with me.

Repeated to Foreign Office and Paris.

¹ Time of repetition as No. 317 to the Foreign Office (received on December 9 at 9 a.m.).

² No. 336.

³ The text is here uncertain.

No. 341

The Marquess of Crewe (Paris) to Sir A. Chamberlain

(Received December 9, 8.30 a.m.)

No. 411 Telegraphic: by bag [C 12895/436/18]

PARIS, December 8, 1926

Your telegram No. 281¹ of December 7th. (Winding up of military control in Germany.)

¹ No. 331.

2. No discussion has yet taken place in regard to the form which agreement between the Ambassadors' Conference and the German Ambassador on the outstanding questions will take. The Secretary General is at present at Geneva and is not returning until early on the 9th instant. When the question comes up for discussion I will bear in mind the considerations contained in your above-mentioned telegram.

3. The following is the present position of outstanding questions:—

- (a) *Police*. The draft letter to the German Ambassador, copy of which was contained in my despatch No. 2342² of December 7th has been approved by the various delegations, but has not yet been despatched in view of the fact that the German Embassy have asked for an alteration in regard to the phrase 'assurera la mise en vigueur'. I am informed by the Secretariat General that no difficulty will be encountered in making a slight amendment in this respect. Otherwise the police question appears to be settled and compromise arrived at only requires to be formally confirmed in writing.
- (b) *Illegal Enlistments*. Question of illegal enlistments will be settled when Herr Förster furnishes information in regard to sanctions. Herr Förster has informed a member of my staff that sanctions exist, but he has not yet furnished the Secretariat General with anything in writing.
- (c) *Associations*. As soon as satisfaction has been given by Herr Förster on the three points raised by Monsieur Massigli in section 1 of my telegram No. 404³ of December 3rd this question may be considered as settled. Herr Förster has informed a member of my staff that he can provide the necessary information, but so far he has not furnished the Secretariat General with anything in writing.
- (d) *Alienation of Military Establishments*. General Walch has informed the C[omit ] M[ilitaire] A[ll  de] V[ersailles] this morning that the German government have submitted general proposals which are acceptable. Details will, it is hoped, be submitted in such time as to enable the programme to be completed by Christmas. General Walch will be in Paris tomorrow night, and the Military Attach  will take the opportunity of impressing on him the necessity of not asking for more details than the Germans can furnish.
- (e) *War Material*. There is no likelihood of rapid settlement on items 56 and 57⁴ unless the British and Italian governments agree to abandon their attitude. No compromise appears possible. Short of this, a settlement by the end of the week could only be attained by approving the draft law on the agreed items, and consenting to arbitration on the outstanding items.
- (f) *Koenigsberg fortifications*. The C.M.A.V. discussed General von Pawelsz' statement today (see my despatch No. 2348⁵ of today) and continue

² See No. 316, note 10.

³ No. 316.

⁴ See appendix (A) to the enclosure in No. 275.

⁵ Not printed. General von Pawelsz' statement, which was dated December 6, was on similar lines to that summarized in No. 335, note 6.

tomorrow morning with a member of the C[ommission] M[ilitaire] I[n]teralliée de] C[ontrôle]. It is probable that their opinion regarding action to be taken will be of a nature to allow the Ambassadors' Conference liberty to decide in the sense of the General Staff memorandum;⁶ but this opinion is unlikely to be ready in time for the Ambassadors' Conference tomorrow. I agree that this question should be kept independent of those affecting the withdrawal of the C.M.I.C.

4. A meeting of the Ambassador's Conference is being held at 3 p.m. on the 9th instant in order to draw up a report showing the exact state of the various outstanding control questions. This report is to be communicated to the allied representatives at Geneva.

Repeated to Geneva by bag.

⁶ Enclosure in No. 275.

No. 342

Sir W. Tyrrell to Mr. London (Geneva)

No. 110 Telegraphic [C 12887/436/18]

Immediate

FOREIGN OFFICE, December 9, 1926, 7.30 p.m.

Geneva telegram No. 216 L.N.¹ (of December 8th. German military control).

As we have not yet seen the comments of the Commission of Control and the Versailles Committee on the German draft law which was only to reach Paris this morning it is difficult to estimate the extent and importance of its shortcomings. But as it is understood to omit altogether items 33, 56 and 57 of the war material list² and as apparently its provisions do not satisfactorily deal with the export of war material generally as distinct from its import and manufacture, I am asked by the Director of Military Operations to state that he feels strongly on military grounds that acceptance of articles 56 and 57 of war material list and effective prohibition of export generally should if possible be a *sine qua non* of the withdrawal of the Commission of Control, as constituting the only practical means we have of preventing speedy industrial mobilisation of Germany and as such ensuring effective German disarmament.

If however Dr. Stresemann refuses to make concessions on these points as suggested in Foreign Office telegram No. 109³ following means of reaching a speedy settlement might be worth considering:

(1) If French are ready to waive their demands (as regards associations, enlistments etc.) which we consider of no importance, and if immediate negotiations and signature of agreement in Paris on lines suggested in Foreign Office telegram to Paris No. 281⁴ is only being delayed because of our objections to draft law on war material, we might in the agreement,

¹ No. 337.

² See appendix A to the enclosure in No. 275.

³ No. 339.

⁴ No. 331.

which would definitely fix date of withdrawal of Commission of Control, accept draft law as it stands for what it is worth and in return get the Germans (1) to recognise that there are certain points in it which do not satisfy the allies and which are therefore to be treated as not yet settled, and (2) to undertake to discuss these further with the Ambassadors' Conference if necessary after the departure of the Commission of Control.

(2) If Paris considers that, quite apart from our objections to the draft law on war material, the signature of an agreement with the Germans before the break up of the Council is impossible, would it be possible for a joint allied-German declaration to be made in Geneva to the effect that the allied and German governments have instructed their experts in Paris and Berlin to hasten a settlement of the few still outstanding points with a view to the Commission of Control being withdrawn say on the 1st February; the Germans at the same time giving an undertaking that if the war material question is not settled by that date, they will continue negotiations with the Ambassadors' Conference after the departure of the Commission of Control?

In the course of such further negotiations between the Conference and the Germans having no longer the lever which the presence of the Commission of Control in Berlin affords us we would probably have to make concessions on the lines suggested in our letter to the War Office of September 10th.⁵ On the other hand it would be most unwise for us, as suggested in Paris telegram No. 411,⁶ to propose arbitration owing to our weak legal position which makes it difficult to maintain that the words 'war material' in article 170⁷ cover articles which only in certain special circumstances and at a later stage may come to be used as war material.

Another course—which would however be most unwelcome to the War Office—would be for us to cease on political and legal grounds to support the War Office and Admiralty's demands as regards items 33, 56 and 57 of the war material list and any other points on which German draft law is unsatisfactory, and to make it clear to the German government that although in accepting the German draft law as it stands we no longer insist on treating as war material the articles enumerated in items 33, 56 and 57 of war material list, we still reserve the right to invoke in respect of such articles article 178 paragraph 1, which forbids all measures appertaining to mobilisation and to ask the League of Nations to carry out an investigation if they have reason to suppose that such articles, being capable of acquiring military character or serving military purposes, are being collected together in excessive quantities, or are under the control of or are at the disposal of the German military authorities, or are being ordered or purchased by or on behalf of the military authorities of a foreign power—this stipulation to apply more particularly to the case where machinery which can manufacture both articles of civilian use and war material, or which can be easily converted so as to manufacture war material, is being erected in quantities clearly beyond the requirements of the civilian industry.

Repeated Paris by bag [No.] 283 and Berlin [No.] 136.

⁵ See No. 206, note 1.

⁶ No. 341.

⁷ Of the Treaty of Versailles.

The Marquess of Crewe (Paris) to Sir A. Chamberlain
(Received December 11, 8.30 a.m.)

No. 413 *Telegraphic: by bag* [C 12987/436/18]

PARIS, December 9, 1926

The Ambassadors' Conference met this afternoon at 5.30 p.m. under the Presidency of Monsieur Jules Cambon. I was present with the Japanese Ambassador. Representatives of the Italian, Belgian and United States Embassies also attended. The following questions were considered:

1. *German disarmament.*

Monsieur Massigli stated that the ex-allied representatives at Geneva desired to be furnished with a report on the exact state of the various outstanding control questions and the Conference was, therefore, called upon to consider each of the important questions in turn with a view to preparing such a report for immediate communication to Geneva.

(a) *Police.*

Monsieur Massigli explained that the text of the draft note to the German Embassy on this subject (see my despatch No. 2342¹ of December 7th), although previously accepted by Herr Förster, had since given rise to certain minor objections on the part of the German Embassy. Modifications acceptable to Herr Förster had, therefore, been made and the Conference had now to decide whether it could approve the amended text. Marshal Foch requested that an addition might be made to the amended text to the effect that the German Government should agree with the Commission of Control on certain time-limits for the execution of the various measures required. The Secretary General was, therefore, authorised to see Herr Förster and endeavour to obtain his approval of this modification.

(b) *Illegal Incorporations.*

Monsieur Massigli informed the Conference that Herr Förster had produced the required information regarding sanctions. (See my despatch No. 2360² of to-day). The information furnished had been submitted to the jurists at Geneva, who had now given a favourable opinion. Monsieur Massigli suggested that the Conference should take note of the text of the document in regard to sanctions. Marshal Foch requested that there should

¹ See No. 316, note 10.

² Not printed. This despatch transmitted three explanations from Dr. Forster: (a) a recapitulation of instructions to the Reichswehr forbidding co-operation with the associations in military matters; (b) an addition to the draft circular regarding associations from the Ministry of the Interior to the Governments of the States which was identical with the last paragraph of the final text annexed to No. 434; (c) a sanction for the proposed ordinance by the President of the Reich regarding illegal enlistments under section 92 of the military penal code.

be a reference in the proposed Presidential Ordinance to Section 92 of the Penal Code. He also enquired what the position of civilians was as regards these sanctions. The Secretary General was authorised to obtain information on these two points from Herr Förster.³

(c) *Associations.*

Monsieur Massigli stated that at the last meeting of the Conference it had been decided to ask Herr Förster for satisfaction on three points. (See my telegram No. 404⁴ of December 3rd, section 1). With regard to point (a), sanctions against members of the Reichswehr for their activities in connection with Associations, Herr Förster had now furnished the text of instructions communicated to the Reichswehr on this subject (see my despatch No. 2360²). This document was considered satisfactory, but Marshal Foch enquired whether Section 92 of the Penal Code was similarly applicable to members of the Reichswehr in this connection. As to point (b), warning by State Governments to associations for infractions of their obligations, Monsieur Massigli informed the Conference that nothing had as yet been received from Herr Förster, but that the latter hoped to be in a position to give the necessary undertaking on the following day.⁵ Regarding point (c) sanctions against individual members of associations, Herr Förster had made an addition to the draft circular letter from the Central Government to the State Governments (see my despatch No. 2360²). The Belgian representative who had raised the point at the previous meeting, considered the addition satisfactory. The Secretary General was authorised to approach Herr Förster on the outstanding points.

(d) *Alienation of Military Establishments.*

General Walch informed the Conference of the present state of the question (see my telegram No. 411⁶ of December 8th, paragraph 3, Section (d)).

(e) *Unauthorised weapons.*

Monsieur Massigli said that General von Pawelsz wished to discuss the question with the Versailles Committee. General Walch furnished the Conference with full explanations on this matter. I stated that the views of His Majesty's Government were that the question should be dropped. The Belgian representative said that his Government did not attach much importance to this point. Marshal Foch maintained that an infraction of the

³ Lord Crewe transmitted in Paris despatch No. 2400 of December 16 the following declaration communicated by Dr. Forster on December 11: 'Le Gouvernement allemand déclare que l'article 92 du code pénal militaire allemand s'applique aux infractions à l'ordonnance concernant les incorporations illégales.'

⁴ No. 316.

⁵ Paris despatch No. 2400 further transmitted the following declaration communicated by Dr. Forster on December 10: 'Le Gouvernement allemand déclare que les Pays (Länder) sont prêts à adresser des lettres d'avertissement envisagées par la Conférence des Ambassadeurs à des associations entrant en considération, pour qu'elles s'abstiennent de toute infraction à l'ordonnance du 12 février 1926 sous menace de dissolution.'

⁶ No. 341.

Treaty⁷ was involved. It was finally decided to authorise the Versailles Committee to discuss the matter with General von Pawelsz.

(f) *War Material.*

General Walch furnished the Conference with full details on the question. He explained that the German Government had just submitted a draft law and that the Control Commission had within the last few days furnished their observations on that law. He had brought the necessary documents with him to Paris for examination by the Conference. He said that the number of outstanding points was very small, but that the points themselves were most important. He then proceeded to give an outline of the few items on which agreement had not yet been reached. Monsieur Massigli then informed the Conference that in conversation with Herr Förster on that morning, the latter had emphasized the fact that it would be impossible to reach agreement at an early date. He (Herr Förster) had suggested that the outstanding points should be separated from those on which agreement had been reached and set aside for further negotiations. Monsieur Massigli explained to the Conference that our position as regards the item dealing with war material was somewhat weak from the legal point of view and that, that being the case, it might be possible to use that item as a lever for obtaining concessions on other points.⁸ After considerable discussion, it was finally decided to invite the Versailles Committee to examine the relevant documents and furnish the Conference with their views.

(g) *Koenigsberg fortifications.*

Marshal Foch furnished the Conference with an outline of this question and both General Walch and Colonel Azzaretti [Azzariti] supplied the Conference with details. Considerable discussion ensued as to what line it would be possible to take in view of the Drafting Committee's decision that Germany had committed an infraction of the Treaty.⁹ The Belgian Representative suggested that it was first necessary to secure agreement with the Germans on the principle and then to tackle the question of application. It was decided to authorise the Secretary General to explain to Herr Förster the position and to invite von Pawelsz to meet the Versailles Committee on the following day. It was generally understood that if von Pawelsz could give an engagement for the future on the lines of the Jurists' report, the infraction of the Treaty committed in the past in the shape of the construction of shelters would be dealt with in a spirit of conciliation.

A further meeting of the Conference will be held on the 10th instant at 4 p.m. On the termination of the meeting, the following communiqué was issued to the press:

'La Conférence des Ambassadeurs a pris connaissance du résultat des négociations et des entretiens qui se sont poursuivis depuis sa dernière séance.

⁷ Of Versailles.

⁸ This sentence was queried in the Foreign Office.

⁹ See No. 313.

'Elle a arrêté les termes d'un rapport qu'elle adresse à ce sujet aux ministres et délégués à Genève des gouvernements représentés à la Conférence.¹⁰

'Une nouvelle réunion de la Conférence est prévue pour aujourd'hui.'

¹⁰ The text of this telegraphic report was transmitted to the Foreign Office in Paris telegram No. 414 of December 10, not printed. The terms of the report were followed closely by Sir A. Chamberlain in his opening statement as recorded in No. 345.

No. 344

Memorandum by the Northern Department of the Foreign Office¹

[N 1851/3/38]

FOREIGN OFFICE, December 9, 1926

Bolshevik Hostility

The following information is submitted in accordance with a request for a summary of the acts hostile to Great Britain committed during the last few months by the Soviet Government, the Third International, and their affiliated institutions. The last Section of this memorandum, covering hostile acts in China, has been prepared by the Far Eastern Department.

Hostility to capitalism in general and to British institutions in particular is axiomatic to Bolshevism, and Bolshevik principles underlie all Russian activities which affect the outside world. It follows that we must encounter hostility at every contact with the Soviet, and although it may be convenient to distinguish between unfriendly acts of the nominal Soviet Government, practical antipathy on the part of the Red Trades Unions, and undisguised propaganda by the Third International, it is to be remembered that such distinction is arbitrary and that in the minds of the Bolsheviks it is, save where expediency compels its simulation, non-existent.

A. Soviet Government. We have only a few cases of unfriendly acts on the part of the Soviet Government, and fewer still which we can bring home to them.

1. In May 1926 the Commissariat of Finance gave special permission for the transfer of funds to England for the avowed purpose of supporting the general strike, although the law of April 14, 1926 declared that such permission should only be given in certain carefully defined cases, all of a purely commercial or economic character.

2. During the general strike, the Moscow Soviet published in the 'Izvestia' a general incitement to all Communists to assist their comrades in England to overthrow the Government. The Moscow Soviet is indisputably an administrative and constitutional unit in the governing system of the country.

¹ This memorandum was prepared by Mr. Hamilton-Gordon.

3. The Soviet Consul at Shiraz, Persia, posted a notice outside his office in May 1926, purporting to describe the strike in England. The tone of the notice was inflammatory and offensive.

(The next five items are obtained from secret sources).

4. The Soviet Mission in London has recently transmitted cipher telegrams between the Soviet Commissariat for Foreign Affairs and the Communists in this country concerning the supply of revolutionary funds to them from Moscow. It is almost but not absolutely certain that the Mission has known the nature of the telegrams, but even if this is not the case acceptance of them from communist leaders here for transmission to Moscow is in itself an unfriendly act and an abuse of diplomatic privilege. (At a meeting of the Council of Commissars a few months ago, M. Chicherin admitted the transmission through the Mission of such telegrams, although on that occasion he implied that the practice has been discontinued.)

5. (This item is akin to the preceding one, but is based on a separate set of evidence.) It is almost certain that the Soviet Government has recently sent direct instructions of a subversive nature to Mr. A. J. Cook through the Soviet Mission in London.

Postscript.

5a. Since this memorandum was typed, the following information has arrived from a secret source: On the 13th November 1926, the Politbureau decided to instruct the Central Council of Trades Unions to transfer urgently to the Federation of British Miners 650,000 roubles on account of the future remittances from Russian trade union organisations. This remittance was actually sent to the British miners two days later, i.e. the 15th November.

6. It has been established that the independent income of the Third International is much too small to account for its known expenditure, and that subsidies from the Commissariat of Finance, disguised under vague headings in the State Budget, make up the balance.

7. On one occasion, the Commissariat of Foreign Affairs decided to ask for an allotment of £200,000 for the purpose of subsidizing the English Labour and Socialist Press.

8. During the elections a few months ago in Persia, the Soviet Chargé d'Affaires at Tehran instructed his subordinate consuls by telegram to 'strengthen such movements', (referring to anti-British demonstrations which had been taking place,) to 'expose the plotting of the English' whenever possible, and to 'consolidate all nationalists against the British'.

B. Semi-Governmental Institutions. There are several Soviet organisms which are part of the machinery of government in everything except that they are not officially acknowledged as such by the Constitution. They include the Trades Unions, the government newspaper 'Izvestia', and the various trading formations, such as Arcos,² Vneshtorg,³ Centrosoyus,² Selskosoyus,⁴ and the Naphtha Syndicate. The Soviet Government pretends that it cannot control

² See below.

³ Foreign Purchasing Agency.

⁴ Agricultural Union.

their activities, but they have unmistakeably [*sic*] governmental functions and their obedience to the central authority is beyond question.

9. The All-Union Central Council of Trades Unions has in the course of 1926 transmitted substantial sums of money to England for strike purposes.

10. At the time of the strike, vessels about to leave the Soviet Union for English ports (notably oil-tankers at Batoum) were prevented from loading by order of the competent Trades Unions authorities.

11. During the same period, repeated articles from the pen of Mr. Khinchuk (since appointed Head of the Trade Delegation in London) appeared in the Soviet press on behalf of 'Centrosoyus' (the Moscow office of the Co-operative Society), advocating support of the English strike by refusal to handle goods consigned to Great Britain.

12. The papers seized by the police when the Communist Headquarters in London were raided⁵ show that 'Arcos' (All-Russian Co-operative Society) were implicated to the extent of issuing 'instructions' to British Communists. It is also known that at least £25,000 from the funds of Arcos were used for strike purposes.

13. Articles of the usual revolutionary description,—unquestionably offensive,—have appeared during the last few months in the 'Izvestia'. This newspaper has long been the government organ, although it has only recently been acknowledged as such by the Soviet Government, and the latter are therefore in a measure culpable for its maledictions.

14. Similarly, it would be difficult for the Soviet Government to disclaim responsibility for the revolutionary fulminations broadcasted in May last from loud-speakers in the squares and public places of Moscow.

(The following item comes from a semi-secret source.)

15. At a meeting of the Naphtha Syndicate in May 1926, Lomov (the president) announced that the use of Russian Oil Products petrol filling stations in England as propaganda centres had worked well, for it increased contact with chauffeurs and mechanics who turned out useful as agitation agents. This work, he said, would be developed, and the greatest possible use made of these centres.

C. The Third International. Hardly a single pronouncement by the spokesmen of 'Comintern' fails to contain objectionable phrases.

16. The following extract from a speech by Zinoviev is typical: 'England is on the eve of tremendous battles, tantamount to the beginning of social catastrophe. Should a strike break out, the first and principal task of the Communist International would be to afford international assistance to this strike'.⁶

(Bukharin has now taken the place of Zinoviev.⁷)

⁵ See Cmd. 2682 of 1926 for a selection of these documents.

⁶ This citation was taken from Moscow despatch No. 271 of April 8 in which Sir R. Hodgson reported on this speech which had closed the sixth plenary session of the Executive Committee of the Communist International in March 1926. For a report of similar statements made by M. Zinoviev see *The Times*, March 25, 1926, p. 15.

⁷ On October 25, 1926, following the adoption by a joint Plenary Session of the Central

17. The Third International is active in India, advocating the organisation of labour for revolutionary purposes and voting financial support for the Independence movement.

18. The Red International of Trades Unions (Profintern) published repeated manifestos in Moscow and elsewhere urging its members during the general strike to refuse to handle goods consigned to England.

19. Two other bodies affiliated to the Third International, namely the Communist International of Youth and the M.O.P.R. (International Organisation for Aid to Revolutionaries), have exhibited similar violent hostility to British institutions.

(The next item is culled from a secret source.)

20. When the Soviet courier, Nette, was murdered near Riga in April 1926, the Third International instructed its agents to use 'every slight circumstance', even if adequate proof were lacking, in order to show the complicity of the British Legation with the crime, in order to be able to publish an accusation against His Majesty's Government.

It only remains to add that we have secret information giving details of the ultimate responsibility of the *Politbureau* for hostility displayed by most of the above mentioned organisations, in the form of instructions and recommendations to the Commissariat for Foreign Affairs, the Trades Unions, and the Third International.

H.-G.

Bolshevik Hostility in China

Russia's policy in China has been to encourage the Nationalist movement at the expense of the 'Treaty Powers' in general and Great Britain in particular. This policy has on the whole been very successful. In its interests, Russia has completely and blatantly ignored the terms of her undertaking⁸ to refrain from any attempt by . . .⁹ 'diplomatic or any other form of action or propaganda to encourage any of the peoples of Asia in any form of hostile action against British interests or the British Empire'. Events in China gave nationalism an anti-British twist, and Russia has contributed in every way to encourage this tendency. There is a danger to exaggerate the importance of

Committee, the Central Control Committee, and members of the Central Revision Commission of the Communist Party of the Soviet Union of a resolution censuring M. Zinoviev and other members of the opposition (cf. No. 250), the Executive Committee of the Communist International published a resolution dismissing M. Zinoviev from his post as President of the International: see Jane Degras, *The Communist International 1919-1943, Documents* (London, 1956), vol. ii, pp. 308-10. By a resolution of December 1926 the Executive Committee of the Communist International abolished the office of President of the Comintern and established instead the collective leadership of an enlarged presidium: *v. ibid.*, p. 319. M. Bukharin, who had been a member of the presidium of the Executive Committee since 1919, presided at the opening meeting of the Seventh Enlarged Plenary Session of the Communist International on November 20, 1926.

⁸ In the Trade Agreement of March 16, 1921; cf. *British and Foreign State Papers*, vol. 114, p. 374.

⁹ Punctuation as in original.

Russia's rôle in China; but the nature of that rôle is beyond question or doubt.

(1) Before the Shanghai shootings of May 30th, 1925,¹⁰ Karakhan¹¹ at Peking was inciting the students and intelligentsia against the 'Imperialist Powers' (see speech at Tsinghua College on April 22nd, which though launched against the Powers in general, was aimed against Britain in particular); the Communist International was encouraging (and perhaps financing) strikes in Japanese mills at Tsingtao and Shanghai (a letter, probably genuine, exists, directly connecting Karakhan with provoking these strikes); Borodin¹² at Canton was drilling the Nationalist party in Soviet technique and forming the nucleus of a Russian-trained nationalist army.

(2) The 'shootings' of May and June¹³ were followed by anti-British agitations which were encouraged by Russia in every way, including money; Karakhan was later called to account for the use of 26 million gold roubles during the months February to September, 1925; see also the trial at Shanghai of the Soviet agent Dosser, who was sent by the 'Soviet Agitation Department' at Shanghai to organise strikes in Hongkong and South China; this trial proved the complicity of the Soviet Government in the anti-foreign disorders, and proof was added by the unsuccessful attempt of the Soviet Consulate-General to bribe witnesses at the trial.

(3) When the anti-British movement had died down elsewhere, it was maintained in Canton in the form of the Hongkong boycott,¹³ chiefly through Russian advice and pressure. It seems more than probable that the incident of June 23rd at Shameen was deliberately engineered by the Russians. Russian advice narrowed the anti-foreign boycott into a purely anti-British one. Russian obstruction defeated the negotiations for settlement of the boycott, and the continuance of that boycott has been put in the forefront of instructions to Russian representatives in China, as we know from Secret reports, even as late as September. So, the voluntary calling off of the boycott by the Canton Government in October may be regarded as the first clear break-away by Canton from Russian direction.

(4) During the spring and summer, Russian representatives in North and Central China ostentatiously informed their foreign colleagues that Russia had changed her policy in China; there was to be no more agitation and propaganda. But, according to secret information, when Karakhan left Peking in September, he left specific instructions to Linde, the *Chargé d'Affaires*:—

- (i) To direct propaganda towards an[*sic*] universal demand for abrogation of the Unequal Treaties, Tariff Autonomy, abolition of concession

¹⁰ For an account of these incidents see the Appendix, p. 951, and *Survey of International Affairs 1925*, vol. ii, pp. 381-5.

¹¹ Then Soviet Ambassador at Peking.

¹² Soviet Adviser to the Kuomintang Chinese Nationalist Party.

¹³ For the incident at Canton on June 23, 1925, and the ensuing boycott of British goods, which especially affected Hong Kong, see the Appendix, pp. 952-3, and Cmd. 2636 of 1926, *Papers respecting the First Firing in the Shameen Affair of June 23, 1925*; see also *Survey of International Affairs 1925*, vol. ii, pp. 386-8.

areas, repudiation of foreign commitments (loans, etc.), and especially the dismissal of the British Inspector-General of Customs.

- (ii) Nationalist movement to be directed mainly against Great Britain, Japan and America.
- (iii) An anti-British boycott to be started on the Lower Yangtse (Japan, United States and other foreign powers to be rigidly excluded from its scope).

These general instructions were reinforced by orders to Linde direct from Moscow, (dated September 15th) to bring about industrial trouble at Shanghai, with an anti-British boycott throughout the Lower Yangtse, and to encourage anti-British demonstrations at Hankow.

The agitations at Hankow flared up about two weeks ago, and then subsided; they have not yet spread to Shanghai.

No. 345

Unofficial Notes¹ of a meeting held in Sir Austen Chamberlain's room at 11.15 a.m. on December 10, 1926, at the Beau Rivage Hotel, Geneva

[C 13187/436/18]

The following were present:—

Sir Austen Chamberlain,
Monsieur Briand,
Dr. Stresemann,
Monsieur Vandervelde,
Signor Scialoja,
Viscount Ishii;

accompanied by Herr von Schubert, Monsieur Hesnard, Monsieur Schmidt and Mr. Troutbeck.

SIR AUSTEN CHAMBERLAIN opened the proceedings by stating the position that had been reached in regard to the outstanding points of German disarmament as the result of the meeting of the Ambassadors' Conference on December 9th. Briefly, the questions of police, associations and illegal enlistments were either settled or settlement was expected in the immediate future. As regards the alienation of military establishments, the Commission of Control had not yet received a complete programme; the programme would be communicated to it partly in a few days and partly towards the end of the month; the Commission of Control had already been informed of the general principles on which the programme was based and declared them acceptable.

¹ *Note in original:* 'These notes are in no sense to be taken as official. They have not been seen or checked by any of the foreign representatives present. They should therefore on no account be quoted textually.' The notes were received in the Foreign Office on December 15 under cover of Geneva despatch No. 65 L.N.C.

As regards war material, the Ambassadors' Conference had just received the report drawn up by the Control Commission on the proposals which had only been received from the German Government on the 4th December; the first impression of the Conference, which was also that expressed confidentially by the German representatives at Paris, was that serious difficulties existed which seemed likely to preclude an early settlement; nevertheless, the Conference preferred before expressing a final opinion to wait until they had received the recommendations of the Versailles Committee upon the Control Commission's report.

As regards the Koenigsberg fortifications, the Ambassadors' Conference preferred to reserve their final opinion until a further effort had been made to reach agreement with the German representatives.

Continuing, Sir Austen Chamberlain said that the question of greatest difficulty was that of war material, and he confessed he did not see how agreement was to be reached. He had referred once more to London in regard to this question and, although he was at the moment only in possession of the first page of a long telegram in reply,² which was now being decyphered, it was enough to show that His Majesty's Government remained of opinion that, after the numerous concessions that had already been made to the Germans, they must hold firm on this point which they felt to be one of capital importance.

DR. STRESEMAN said that he on his side had also telegraphed to Paris [*sic* ? Berlin] to see if some compromise could be reached. He had received the reply that the German Government could not accept any further concessions as they would be contrary to the previous Cabinet decision. (Herr von Schubert interpolated that he had also been in telephonic conversation with Berlin.) There had been a great battle on the question between the Ministry for Foreign Affairs and the Ministry of Economic Affairs. Moreover, he had received telegrams from representatives of German industry begging him to make no further concession, as the result would be to increase unemployment not only in the heavy industries but still more in the engineering industries which would be badly hit by the loss that would otherwise accrue to German exports. His personal view was that the Ministers for Foreign Affairs could not decide these technical points, and he suggested two alternative methods of solution: either that the matter should be taken out of the hands of the experts and settled through the Governments, but he understood Sir Austen Chamberlain was not favourable to that method; or alternatively the question should be treated as a technical and not a political one, and should be referred to arbitration. He thought that all parties could probably agree to the latter course, and he felt confident that he would be able to get the necessary authority from Berlin.

MONSIEUR BRIAND said that there was also the question of fortifications, as to which he understood the Commission of Control and the Ambassadors' Conference to be unanimous. On this point he learnt that General von

² No. 342.

Pawel[s]z, when asked in Paris whether work on the fortifications was still continuing, had replied in the affirmative. This, Monsieur Briand suggested, was not the kind of thing to promote conciliation. He added that the remark had been deliberately omitted from the *procès-verbal* of the Conference on account of its extreme gravity.

SIR AUSTEN CHAMBERLAIN said, granting for the moment that he could accept Dr. Stresemann's suggestion of arbitration on the question of war material, would it be possible to settle the fortifications question in the same way? The matter might be referred to arbitration either in the manner contemplated by the Locarno treaties or by reference to the Permanent Court at The Hague. Pending a decision the German Government would, of course, undertake to desist from further constructions.

MONSIEUR BRIAND said that there seemed to him to be three points. First there was the dispute between the German Government on the one side and the military and legal advisers of the Ambassadors' Conference on the other, as to Germany's rights under the treaty³ to construct defensive works on her eastern and southern frontiers. Secondly a distinction must be drawn between works for offensive and works for defensive purposes. Thirdly there was the point that, pending settlement of these two questions, no further works should be constructed.

SIGNOR SCIALOJA said that Monsieur Briand's third point must obviously come first. As regards his first two points, he thought that arbitration was in principle the proper solution, but he doubted whether the matter was one for the Permanent Court at The Hague. The question was less a juridical one than a military one, in the same way as the question of war material was primarily an industrial one. He felt that it would be necessary to appoint special arbitrators rather than refer the matter to The Hague Court.

SIR AUSTEN CHAMBERLAIN said that he was not clear that there were three points as Monsieur Briand had suggested. It seemed to him that there were two points, the first being that, pending arbitration, there should be neither further constructions nor demolitions; the second point was the arbitration itself. Turning to the observations made by Signor Scialoja, he was unable to agree that the point for arbitration was primarily a military one, and he would be loth to leave it to the soldiers to interpret the terms of the relevant paragraph of the Treaty. To his mind the question was a juridical one, and the only way in which the soldiers would come into the question would be to say, after the interpretation of the Treaty had been decided, whether such and such a work were in harmony with the interpretation given.

MONSIEUR VANDERVELDE expressed his agreement with Sir Austen Chamberlain. To his mind the only question to be submitted to arbitration was the interpretation of the text of the Treaty which was a juridical matter. It would be left to the military experts to say if such and such a work were of an offensive or defensive character. Otherwise he entirely agreed that this was essentially the kind of question that it had been agreed at Locarno to refer to arbitration.

³ Of Versailles.

DR. STRESEMANN said that he entirely agreed that there should be no constructions or demolitions, pending arbitration. As regards the remark made by General von Pawel[s]z, to which Monsieur Briand had referred, Dr. Stresemann said that General von Pawel[s]z had clearly been right from the German point of view, for if the German Government had ceased work on the shelters under construction, they would have implicitly admitted that their legal case was unsound. He hoped that Monsieur Briand would not take exception to General von Pawel[s]z's remark. (Monsieur Briand said he quite understood.) Continuing Dr. Stresemann said that his chief feeling in regard to arbitration was the hope that a decision would be finally reached.

MONSIEUR SCIALOJA agreed with Dr. Stresemann's last remark, but maintained his view that an arbitration on purely juridical grounds was not practical in the present case, and that military experts would be also required to decide the meaning of the phrase '*état actuel*' in the last paragraph of Article 180.

SIR AUSTEN CHAMBERLAIN then read a passage from General von Pawel[s]z's letter to the Ambassadors' Conference of the 6th December,⁴ which showed that the German Government were basing their contention on juridical grounds. A whole section of that letter was devoted to a legal disquisition on the meaning to be attached to Article 180, the German Government maintaining that it left Germany a certain liberty of movement to replace existing fortifications by others of a more up-to-date nature. It was that contention which he for his part challenged; to his mind if the French govt. had bound themselves by a similar obligation after Waterloo and had interpreted it in a similar way, it would have allowed them gradually to replace their Napoleonic fleet by a fleet of super-dreadnoughts. But the question was one for the jurists and not for the military experts. Once the legal point had been decided by the jurists, it might be a question for the military experts to decide whether what had actually been constructed was in conformity with the interpretation given. But primarily the matter was a juridical one.

MONSIEUR SCIALOJA said that he still felt doubts as to whether a legal court could decide, as the Treaty referred to the '*system* of fortified works', it needed a soldier to say if this system was altered or not.

VISCOUNT ISHII said that he had been present at all the discussions of the Ambassadors' Conference on this question, and at every point this question had come back to the interpretation to be placed on the words '*état actuel*'. It was that phrase which it was necessary to interpret.

MONSIEUR VANDERVELDE said that he agreed with Sir Austen Chamberlain that the question *could* be put to the jurists. The further question arose whether it *should* be. Proceedings before The Hague Court were a very long affair, as Belgium had lately had reason to know in connection with her Treaty with China.⁵ While he agreed that the present case was primarily

⁴ See No. 341, note 5.

⁵ i.e. the Chinese-Belgian Treaty of Amity, Commerce, and Navigation of November 2, 1865, printed in *British and Foreign State Papers*, vol. 56, pp. 667-91. For Chinese denunciation of this treaty and Belgium's application to the Permanent Court of International

a juridical one, it was also a military one and a choice lay between The Hague Court and the form of arbitration contemplated by the Locarno Treaties. Moreover, the matter interested all the signatories of the Versailles Treaty and especially Germany's eastern neighbours and it was conceivable that the latter might prefer the Locarno form of arbitration.

DR. STRESEMANN said that the only question that was of real interest to him was that the arbitration in whatever form should be as speedy as possible. At the same time he wished to reply to Sir Austen Chamberlain's words about the interpretation to be given to Article 180. In the view of the German Government, if Germany was only allowed to maintain her fortifications in the state existing at the end of the war, it would reduce matters to an absurdity. That theory was commonly known in Germany as the 'museum theory' (théorie de musée). Moreover the matter had become of particular interest to Germany in view of the frontier alterations imposed by the Treaty, which made Berlin into practically a frontier town. The German Government had no desire to make additions to the existing fortifications, but they must be able to maintain them in such a way that they should be proper defensive works.

MONSIEUR BRIAND observed that the question came not only under Article 180 of the Treaty, but also under Article 196. He suggested that each representative might consult his Government on the question of referring the matter to arbitration.

SIR AUSTEN CHAMBERLAIN agreed and said that if the Governments accepted the idea in principle there should be no difficulty in agreeing on the form of arbitration.

MONSIEUR BRIAND said that there was one further point. It was necessary to distinguish between offensive and defensive works. Even if an arbitral court accepted the German thesis that Germany had a right to improve her defensive works, the improvements must not be of such a nature as to transform defensive into offensive works. Clearly the matter was in the first instance a question for arbitration, but there was the second point that offensive works of any kind must not be constructed. Monsieur Briand added that of course the best solution would be if the Ambassadors' Conference were able to reach an amicable agreement on the question.

SIR AUSTEN CHAMBERLAIN said that all that could be done at the moment was for each representative to consult his Government, and he suggested that it might be put to them that, assuming the other questions were settled, these two matters of fortifications and war material should be referred to arbitration.

Continuing, he said that the Jurists were practically in agreement on the points in regard to League investigations which had been referred to them. He understood that there was only one outstanding point which was that they had not been instructed whether they should draw up a formula on the

Justice at The Hague (cf. *Publications of the Permanent Court of International Justice*, Series A, No. 8) see Second Series, Volume VIII, p. 13, and *British and Foreign State Papers*, vol. 124, pp. 253-8.

question of the 'éléments stables'. He felt that it might be difficult for the Jurists to do this, and suggested that Monsieur Briand and Dr. Stresemann might agree upon a formula together and submit it to the remainder of those present.

MONSIEUR BRIAND said that at the previous meeting three questions had been distinguished: (1) the winding up of the Commission of Control, (2) its replacement by a system of League investigation, and (3) the special form of supervision for the Rhineland. The Council would have to take a decision on the second of these points at the present session, but not on the third. The French Government had always agreed that anything in the nature of permanent control could only be set up by arrangement with the German Government, and it might be put to the Council that German agreement on this point was necessary.

A long discussion then ensued between MONSIEUR BRIAND and MONSIEUR VANDERVELDE as to the procedure by which the agreement in regard to the 'éléments stables' should be recorded. MONSIEUR VANDERVELDE appeared to suggest that it ought to be explicitly recorded by the Council as it was not a mere interpretation of the League scheme of 1924, but a modification of that scheme which had clearly contemplated permanent control in the whole of Germany. He contended that the agreement reached at the last meeting of the five powers (on December 6), that permanent control was not covered by the treaty, meant a definite modification of the scheme. It could no longer be a question of interpreting the scheme as in the case of the other questions that had been referred to the jurists.

MONSIEUR BRIAND pointed out that the Council had on two occasions, at his suggestion, adjourned discussion of the question, his reason for suggesting adjournment having been that 'éléments stables' were not covered by the treaty and could only be set up in agreement with Germany. He had been discussing the whole question with Dr. Stresemann, and they had agreed to let the jurists prepare a formula which could be added to the formulas they had been preparing on the other questions relative to investigation that had been referred to them. Monsieur Briand was opposed to asking the Council to take any decision formally modifying the scheme of 1924 and felt that on every ground it was preferable to proceed with this point by means of a jurists' interpretation as in the other cases.

At SIR AUSTEN CHAMBERLAIN's suggestion it was finally agreed to await the jurists' report on the point before discussing it further.

DR. STRESEMANN then asked whether, if the points now being discussed in Paris were settled and arbitration was accepted on the others, a date could be fixed for the withdrawal of the Control Commission.

MONSIEUR BRIAND thought there would be no difficulty in agreeing upon an early date, provided that Germany undertook to carry out what was settled and provided an arrangement was reached about the institution of League investigation. The Council could be entrusted to carry out any necessary investigations to see that the settlements were executed.

DR. STRESEMANN said that on political grounds he attached special impor-

tance to a date being fixed here at Geneva. The press must not be able to say that matters were still unsettled. Germany would, of course, agree to carry out anything that was arranged.

SIR AUSTEN CHAMBERLAIN suggested the 1st February as a date, but no decision was taken on that actual point.

Sir Austen Chamberlain, who had by then received the remainder of the telegram from London to which he had referred in his opening remarks, said that he feared it might preclude him from accepting arbitration in regard to war material. He had hopes, however, that a settlement of that question might be reached in some other way.

MONSIEUR BRIAND said that this might make matters difficult for him. It would have facilitated his task if both the outstanding points could have been referred to arbitration.

SIR AUSTEN CHAMBERLAIN said that he would further consider the telegram he had received and express a more definite opinion on the following day.

HERR VON SCHUBERT suggested, in regard to the question of League investigations, that as a point of procedure it might be advisable to get into contact with M. Benes, who was the *rapporteur* for the question of the Presidents of the investigating commissions.

SIR AUSTEN CHAMBERLAIN said that the difficulty had been that if M. Benes and the Polish and Roumanian representatives had been invited to share their discussions, the result would have been that more than half of the Council would have been discussing this question and the remainder might well have raised objection. He suggested that, to prevent the other interested members taking offence, M. Briand might call them together and explain to them officially what had been done.

M. BRIAND agreed.

DR. STRESEMANN asked what procedure was contemplated as regards filling the presidencies of the investigation commissions.

SIR AUSTEN CHAMBERLAIN said that by far the simplest way would be to renew the mandates of the officers who now held the posts. For the purpose of reassuring French public opinion, it was far better to leave a Frenchman as President of the German commission.

DR. STRESEMANN then raised the question of the Saar and of the organisation to be set up to ensure the safety of the communications through that territory, and HERR VON SCHUBERT explained that Dr. Gaus and M. Fromageot had not yet entirely reached a solution of the points they had been discussing. On the one hand, the German Government wished to fix a definite number of personnel for that organisation (he suggested that the figure should be something in the nature of 300) and were also anxious that they should not be soldiers. M. Fromageot, on the other hand, had apparently suggested some large organisation of a military nature.

M. BRIAND confessed that he had not gone very fully into the question, but suggested that it might be left to the Saar Governing Commission to agree upon some system in conjunction with the jurists.

M. SCIALOJA pointed out that the members of the Commission were divided among themselves, and that among five members three diverse opinions had been expressed.

M. BRIAND asked Dr. Stresemann what precisely he had in mind in the way of personnel. Did he want something in the nature of what is called in France 'Gardes voies de communications'?

SIR AUSTEN CHAMBERLAIN suggested some form of military police, who would wear uniform with a brassard.

M. BRIAND pointed out that the personnel would not merely be French but of other nationalities as well.

HERR VON SCHUBERT said it was quite contrary to the German idea to have soldiers at all; they wanted police. The situation was a delicate one for the German Government.

SIR AUSTEN CHAMBERLAIN suggested that the question might be adjourned till March and the Governing Commission asked to make a further study of the question. It might well be that they would then be able to agree on a unanimous recommendation.

HERR VON SCHUBERT objected that the German press were clamouring for reductions of the numbers of troops in the Saar at an early date.

M. BRIAND suggested that the German Government were too much pre-occupied by the criticisms of the press and added that his information was that the members of the Saar Governing Commission were far nearer agreement than they had previously been.

SIR AUSTEN CHAMBERLAIN expressed the view that the German Government had made a mistake in pressing for the withdrawal of M. Rault.⁶ If he had continued Chairman it would have been easier to get concessions. He suggested that the commission should be invited to furnish a further report in view of the new situation.

The meeting then broke up after agreeing to meet again at 11 a.m. the following day. It was agreed to give no precise information to the press about what had been discussed.

J. M. TROUTBECK

⁶ Cf. No. 53.

No. 346

Mr. London (Geneva) to Sir W. Tyrrell (Received December 10, 12.30 p.m.)

No. 220 L.N. Telegraphic [C 12971/436/18]

Urgent. State

GENEVA, December 10, 1926, 12.45 p.m.

Following from Secretary of State for Prime Minister and Secretary of State for War.

Your telegram No. 110¹ not yet fully decyphered but conference proceeding here seems to point to arbitration on both the definition of material and

¹ No. 342.

on fortresses as probable solution, it being understood that pending arbitration, all work on fortresses would cease.

I presume that I may accept this solution if other powers agree.

No. 347

*Mr. London (Geneva) to Sir W. Tyrrell (Received December 10, 2 p.m.)
No. 219 L.N. Telegraphic [C 12986/391/90]*

Important

GENEVA, December 10, 1926, 12.55 p.m.

Following from Secretary of State.

Treaty of Tirana. The Yugoslav representative sought my advice after dinner at Sir E. Drummond's last night. He said that Nincic was seeking a friendly solution with the Italian government on the basis of Yugoslav participation, as suggested by Bordonaro when fresh instance of Italian perfidy had finally destroyed his confidence and rendered definite his resignation. According to his story Bordonaro had assured Yugoslav Minister that he had received telegram from Ahmed Zogu that the treaty would not be ratified for some little time and there was therefore ample opportunity for Yugoslavia to adhere or make a similar pact. Simultaneously with the receipt of this telegram from Rome Nincic had learned from Durazzo that the treaty was already ratified.

I replied that the story, as thus told, was most regrettable, but might not treachery perhaps be Ahmed's and not Bordonaro's? In any case, whilst still disclaiming any pretension to advise, if I were Foreign Minister of Serbia I should not allow this to alter my course. I should still seek a tripartite agreement, or, failing that, Albanian-Yugoslav pacts on similar lines. The Serbs must realise that if they suspected the Italians the Italians were equally suspicious of the Serbs. My only interest was the preservation of peace and the assurances given me by Signor Mussolini convinced me that, whilst resolved to assert the interest of Italy in Balkan affairs and the special interest in Albania he had no intention or wish to attack Albania's integrity or to land a single soldier on Albanian soil provided he was assured of Albania's equal immunity from the Serbian side. This was merely my personal appreciation of aims of Italian policy but it was sufficient for me to base my policy on it. Yugoslav government must form its own judgment.

As to incriminated phrases in the treaty, Yugoslav government could ask for explanations but to me it seemed that whilst right of Albanians to settle their own form of government must be respected, interest of both Yugoslavia and Italy was to have no change since any change must appear at first sight to be in the interest of one or the other and the one who felt himself injured would always suspect the other of having engineered the change and be prone to take measures accordingly. I added some friendly but definite criticism of Yugoslavian connivance at and even definite assistance to Ahmed Zogu's successful revolution and laxity of supervision which had allowed

another attempt at revolution to proceed from Yugoslav soil. In each case they had played straight into the hands of Italy.

For your information and guidance. Manner of concluding treaty more than its substance have [*sic*] caused this commotion. I hope Signor Mussolini will bestir himself to remove suspicions caused by his secretiveness towards Yugoslav government. He can afford to meet them generously and in so doing he would certainly serve general interest of Italian policy. If Grandi were here I should say so much to him. Possibly Sir R. Graham might say it at Rome. Whilst disclaiming all intention to offer advice anywhere I am in fact alone here in Geneva in seeking to explain and defend Italian policy and I maintain to all my faith that Italian policy is what Signor Mussolini has repeatedly assured me that it is. But it rests with him to do what is necessary in order that my words should carry weight. I suspect that others think me blinded by my regard for him. You may use above as you think fit for instructions to Sir R. Graham.¹

¹ In Geneva telegram No. 3 to Rome (223 L.N. to the Foreign Office) of December 10, Sir A. Chamberlain gave an account of a conversation with Signor Scialoja, to whom he had spoken on the general lines of the preceding paragraph, adding that 'all the powers immediately concerned and notably France were counselling moderation at Belgrade'. For Signor Scialoja's account of this conversation see *I Documenti Diplomatici Italiani*, Settima Serie, vol. iv, pp. 415-16. In view of this telegram and of Rome telegram No. 252 (see No. 329, note 6) it was decided in the Foreign Office that no further instructions to Sir R. Graham were necessary.

No. 348

Mr. London (Geneva) to Sir W. Tyrrell (Received December 10, 4.10 p.m.)
No. 221 L.N. Telegraphic [C 12981/436/18]

State

GENEVA, December 10, 1926, 3.40 p.m.

Following from Secretary of State for Prime Minister and Secretary of State for War.

My telegram No. 220.¹

Your telegram No. 110² now fully decyphered shows you object to arbitration on war material. Monsieur Briand attaches great importance to arbitration being on both material and fortresses. Our refusal might well destroy possibility of any agreement. I particularly request discretion to do best I can. We meet again tomorrow.

¹ No. 346.

² No. 342.

No. 349

Sir W. Tyrrell to Mr. London (Geneva)

No. 113 Telegraphic [C 12971/436/18]

Immediate

FOREIGN OFFICE, *December 10, 1926, 6.5 p.m.*

Geneva telegram No. 220.¹

For Secretary of State from Sir W. Tyrrell.

As regards war material Secretary of State for War adheres to opinion expressed in § 1 of Foreign Office telegram No. 110² after again consulting General Staff and objects to arbitration for reason stated in latter part of telegram. But we recognise that you may decide if consensus [*sic*] of opinion is in favour of immediate reference to arbitration that political considerations must outweigh these objections.

You will have seen from Foreign Office telegram No. 110 that our legal case as regards items 33, 56 and 57 is not strong. We might by further discussions (even after withdrawal of Commission of Control) be able to reach a compromise which would give us something possible on lines suggested in last two paragraphs of Foreign Office telegram No. 110, whereas unfavourable arbitral decision would deprive us of items 33, 56 and 57 and might endanger those other items on the list (at present accepted by the Germans) which being only 'potential' war material would probably be governed by an arbitral decision on items 33, 56 and 57.

Admiralty hold same views as War Office as regards importance of item 33, but agree to arbitration.

As regards fortifications, there can be no objection to arbitration. In any case it is not one of the questions on which the withdrawal of the Commission of Control depends.

Secretary of State for War and I to whom Prime Minister left decision agree that you are the best judge as to whether political considerations should overrule military view and therefore it is left to your discretion to do the best you can in accordance with request in your telegram No. 221 State³ of December 10th.

¹ No. 346.

² No. 342.

³ No. 348.

No. 350

Memorandum by Mr. Gregory

*[N 5670/387/38]**

FOREIGN OFFICE, *December 10, 1926*

RUSSIA

Mr. Locker-Lampson tells me that the agitation for the expulsion of the Bolshevik Mission (or missions) from this country is becoming well-nigh irresistible.

It seems therefore requisite that I should once more review, *in the strictly*

diplomatic field, the arguments for and against a breach of relations with Soviet Russia. At the same time, I would add various considerations on the method by which the breach should be effected, if it is decided on.

(A)

Arguments for and against a Breach

The most potent argument in favour of a breach of relations with Russia is obviously the indisputable fact that the Soviet is to all intents and purposes—short of direct armed conflict—at war with the British Empire. Whether by interference in the strikes at home or by fomenting the anti-British forces in China, in fact, by her action all the world over, from Riga to Java, the Soviet Power has as its main objective the destruction of the British Power. To that all its other activities are subordinated. This is, indeed, a commonplace. The questions therefore arise: (*a*) Is it, in the circumstances, consistent with the maintenance of British dignity to affect to ignore the real truth and allow relations to continue notwithstanding; and (*b*) would this country, by openly proclaiming the truth and breaking off relations, deal a blow at Russia which is likely to be effective?

The answer to the first question is presumably in the negative. We have, however, tried to get out of that difficulty by letting the world understand that it is by our goodwill alone and for our interests alone that we condescend not to sever relations, an Olympian attitude which can be maintained only up to a point, which is liable to be misinterpreted and which is viewed with scepticism, not only in Russia, but largely throughout the East. A peculiarly outrageous act of the Soviets would force us to abandon it, and let the consequences look after themselves.

But, leaving aside the possibility of an intolerable provocation which may force our hand, if we should now decide on domestic grounds that the time for a rupture has come, we are still faced with the difficulty of satisfying ourselves that it is going to lead us anywhere in particular. If we could follow up a rupture by dealing the Russians a damaging blow, it would undoubtedly be worth while.

The prevailing attitude of the Soviet Government in regard to ourselves appears to be this. It is to some extent paradoxical. While, on the one hand, desiring and endeavouring to encompass our destruction, on the other, it is ardently anxious to come to a full-dress agreement with us: not merely for the purpose of obtaining a loan, but politically, because the belief is apparently prevalent in Russia that until the Soviet has obtained the whole-hearted recognition of the greatest Power, it cannot properly demonstrate its own stability to the world. Recognition by us would be a stepping-stone to greater things, though the greater things might easily be—and no doubt would be—of a destructive order.

If this diagnosis is correct, it does undoubtedly afford us some encouragement that by a rupture we might set the Russian clock back. The Russians are Orientals, and it is among Orientals that their propaganda is most

successful. The success that they are having is largely due to the propagated conviction that Great Britain is too weak to take any action against them, and has no alternative but to sit down impotently under their provocation. A sudden reversal of our attitude, if properly stage-managed, might act as a bombshell throughout China, Persia, Afghanistan and along the Indian border; the Oriental being traditionally reported to understand only a display of strength.

The circumstances and results of our policy in May 1923 should here be recalled as relevant to the issue. At that time we had been both insulted and outraged—insulted over our mild and restrained plea for the humane treatment of certain religious men under sentence of death, and outraged by the continued seizure of our trawlers in the White Sea. We demanded satisfaction on a number of points, including the inevitable propaganda, in a strongly-worded ultimatum,¹ failing compliance with which the Trade Agreement was to be terminated. The effect of this sudden and unexpected violence by us was instantaneous, and caused a panic in the Bolshevik camp. Within a month or so the whole of our demands (with two not essential exceptions) were conceded.² Yet, at that time, both Lenin³ and Djerdjinsky, the props of the system, were alive.

Consequently, some advantageous result of a rupture might reasonably be anticipated in the nature of a marked depreciation of Bolshevik stock, both at home and abroad, and might, indeed, be much greater than we are able to foresee. Russia, belittled and boycotted by us once more, and at a moment when her economic and financial position is none too good and many of her leaders have disappeared, might weaken considerably under the blow, domestically and externally. She would, of course, intensify her propaganda, but the ground on which it was sown would be less fertile. Yet this is necessarily in the nature of speculation, and once more all that can be said is that, should a rupture be decided on, the possibility of considerable advantage to us is not to be excluded. It must, however, be insisted that such action would be in the nature of a gamble.

There is, nevertheless, another possible result to be borne in mind, predicted by certain observers, which might prove wholly embarrassing to us. The Soviet Government might, under the stress of strong action from here, come to heel over the controversial issues and propose to us an agreement in terms which would have all the appearance of being acceptable. We might, therefore, within a few weeks find ourselves in the possession of a boomerang of which we should not know exactly how to get rid. As it is, in other words, quite certain that any concessions would be entirely illusory, it would be far better not to court a situation in which they are offered. This is, of course, an argument against a rupture.

¹ This memorandum of May 29, 1923, is printed as item No. 2 in Cmd. 1890 of 1923: cf. No. 266, note 2.

² *V. op. cit.*, item No. 3, for the memorandum communicated by M. Krassin on June 9, 1923.

³ M. Lenin had been President of the Council of People's Commissars, 1917-24.

The position must now be examined from the highly-important angle of its effect on the continent. There is no doubt that it would cause a diplomatic uneasiness among the greater States of Europe and dismay among the lesser, particularly those in the East.

The present régime in France would, it may be assumed, welcome for domestic reasons an Anglo-Russian rupture, and would be unlikely, and probably unable, to reap any benefits therefrom. Germany, on the other hand, would deplore a development which would render her already embarrassed position midway between Russia and Locarno even more troublesome. Italy—whose intentions, however, it is a mental presumption to endeavour to fathom—might conceivably be disconcerted, despite Signor Mussolini's Leghorn statement,⁴ at the prospect of the resultant *rapprochement* between Russia and Turkey.

Poland, deprived of a certain security engendered by a correct relationship between Great Britain and Russia, might conceive it necessary, especially now, under the anti-Russian Pilsudski, to create fresh, and possibly dangerous, guarantees for her own safety. Finland and the Baltic States would professedly be alarmed by the quarrel.

But, it may be argued that the sum of these possible contingencies does not necessarily create an international situation that is directly against our interests. Possibly; but it would almost certainly create an atmosphere of unrest, and therefore a step backwards. It would obviously be folly to impair the results of Locarno and give opportunities for sabotage, if not worse, in one direction or another. Peace is the paramount international need, and a definitely outlawed Russia would be bound to seek increased means of disturbing it. It seems a pity to run a risk after the good work done this year.

Finally, it is necessary to repeat a consideration that has been brought forward on the various occasions on which this question has been discussed. If relations are severed, under what circumstances can they be resumed? When the Soviet Government of Russia has ceased to be Bolshevik? Then we shall have to wait, according to the predictions, to the Greek calends. The new generation which is growing up in Russia is reported to be more actively Bolshevik even than the old. When the Soviet Government has finally dissociated itself from the Third International? Then it will have ceased to be the Soviet Government. When it has given guarantees for good behaviour? But its guarantees have been tested over and over again and found worthless. Thus relations could only be renewed under the same conditions as they exist to-day, and it would be exceedingly difficult to find a pretext for resumption. Yet we can hardly contemplate a period of years during which we were not in relations.

The trade position has also to be considered, and this ought to be left to the judgment of the Board of Trade. But they should bear in mind that the gain to our trade in Europe by such relations as we have with Russia under existing conditions is probably counter-balanced by the loss we suffer through Bolshevik action in China.

⁴ See Nos. 235 and 255.

Nor does there appear to be the slightest improvement in the prospect of an economic settlement. Only yesterday, Mr. Leslie Urquhart, addressing the shareholders of the Russo-Asiatic Company, read a statement which he had received in writing the day before from the Russian Chargé d'Affaires. The latter was able, he said, 'to inform me that the Soviet Government does not intend to give concessions over those properties which are being exploited by the Government itself and for which the Government has sufficient capital for exploitation . . .⁵ where these conditions are absent, the Soviet Government is interested in giving such properties under concession.'

The Soviet Chargé d'Affaires has this very day informed me, *à propos* of a reply to a Parliamentary question on the 8th instant,⁶ that the recognition of debts is absolutely out of the question.⁷

If, therefore, the property holders are to receive no satisfaction whatever—which is what this amounts to—and there is still no chance of a recognition of debts, then it may be confidently asserted that an economic settlement with Russia is not even within sight, and that the chances of improved trade conditions which are dependent on the restoration of confidence in the City can be disregarded.

The United States might, of course, step in unexpectedly where we have failed to tread. The Soviet is making American recognition its second objective, and M. Rakovski is clamouring to go to America to attempt it. But there are no important signs that the United States are anxious to meet these approaches, nor is there any political or economic reason why they should.

This, then, concludes the discussion. The arguments *pro* and *con* are to some extent evenly balanced, and, though a negative policy suggests a certain paralysis, a positive policy in this case is unlikely to make things, taken as a whole, any better than they are at present. 'Being a leap in the dark, it might easily make things worse. The ejection of the Bolsheviks from this country would be a thoroughly pleasurable proceeding, but it would be rather the satisfaction of an emotion than an act of useful diplomacy. We should, moreover, cut off the sources of information in Moscow, and have to carry on ordinary routine business through roundabout channels. Above all, we should forfeit any personal influence we may possess for restraining the Bolsheviks from greater enormities than they commit already. And finally, the important argument about ultimate resumption of relations after a break is difficult to meet. There are the considerations of diplomatic expediency that have to be weighed against those moral and domestic considerations which are outside the scope of this discussion.

(B)

In the event of a decision to sever relations with the Soviet Government, procedure will have to be carefully considered.

⁵ Punctuation as in original quotation.

⁶ See *Parl. Deb.*, 5th ser., H. of C., vol. 200, cols. 2082-3.

⁷ Cf. *Dokumenty Vneshney Politiki S.S.S.R.*, vol. ix, No. 346.

In the first instance, a breach should involve the withdrawal of our mission from Moscow and its representatives from Petrograd [*sic*] and Vladivostok; and the ejection from this country of the Soviet Mission at Chesham House, and the whole Russian staff of both Arcos and Centrosoyus. Any half-measure, such as the ejection of Arcos alone, would have no sense.

This wholesale departure on both sides would not necessarily result from a denunciation of the Trade Agreement; at least, this is debatable. The diplomatic relations established in 1924 to some extent absorbed those established under the Trade Agreement and added more. The ultimate settlement was to have swallowed the Trade Agreement so completely that provision was made for its disappearance. The position is therefore illogical; but it is clear that, if a general clearance of Bolsheviks from this country is desired, it will not be sufficient merely to denounce the Trade Agreement. The notification of ejection must be given in more general terms.

The next point is that, if it is to be a successful *coup*, the Bolsheviks must not be allowed to argue about it. If we begin by sending them a note, in which we enumerate their iniquities and which has the character of an ultimatum, we shall find ourselves landed in a controversy that will never come to an end. At all events, long before it is half-way through, the pitch will have been so successfully queered that our original intention will have become quite incapable of execution. Nor is it of the slightest use to found our charge on documents—the authenticity of which, as we know, can be disputed till doomsday—though their *ex post facto* production may serve a subsidiary purpose. A note stating that it is common knowledge that the Soviet Government is subverting British interests from one end of the world to the other, and that therefore relations are no longer possible, would be unanswerable. Finally, it must never be forgotten that Sir R. Hodgson must be given timely warning of any impending action of this kind. The Bolsheviks do not appear to be quite as truculent as they were; but it would not do to take any risks, even now.⁸

J. D. GREGORY

⁸ Copies of this memorandum were sent privately by Mr. Gregory on January 5, 1927, to H.M. Representatives at Paris, Berlin, Rome, Constantinople, Warsaw, Riga, and Moscow.

No. 351

The Marquess of Crewe (Paris) to Sir A. Chamberlain
(Received December 11)

No. 2365 [C 12990/436/18]

PARIS, December 10, 1926

His Majesty's Representative at Paris presents his compliments to the Secretary of State for Foreign Affairs, and has the honour to transmit herewith copies of the under-mentioned papers.

Name and Date

Subject

Communication from Lt Genl Von Pawelsz
December 9th.

Königsberg Fortifications.

Ambassadors' Conference to Allied Re-
presentatives at Geneva. December 10th.

Copy sent to Geneva.

ENCLOSURE 1 IN No. 351

Copie

von Pawelsz
Lieutenant Général et
Commissaire du Reich

PARIS, le 9 décembre, 1926

En qualité de Délégué du Gouvernement allemand j'ai l'honneur de proposer de donner l'interprétation suivante au dernier alinéa de l'art. 180 du Traité de Versailles:

La disposition: 'Le système des ouvrages fortifiés des frontières Sud et Est de l'Allemagne sera conservé dans son état actuel', devra être comprise en ce sens que l'Allemagne conservera auxdits ouvrages fortifiés leur degré de défensibilité tel qu'il existait au moment de la fin de la guerre.

Dans le système des ouvrages fortifiés des frontières Est et Sud

(a) le Gouvernement allemand renonce à la construction de nouvelles forteresses, forts, ouvrages intermédiaires et batteries permanentes;

(b) le Gouvernement allemand a le droit de remplacer des ouvrages de campagne vétustés par des constructions correspondantes en béton, des ouvrages d'armement rasés par un schéma squelettique d'abris en béton et, pour les forteresses situées antérieurement en seconde ligne, de détacher des ouvrages isolés ne constituant pas en eux, une position uniforme, dans le but de protéger militairement des routes et des chemins de fer.

ENCLOSURE 2 IN No. 351

The Conference of Ambassadors to M. Briand (Geneva)

Copie

10 Décembre 1926

(Avec prière de communiquer d'urgence à Sir Austen Chamberlain, M. Vandervelde, M. Scialoja et le Vicomte Ishii).

La Conférence des Ambassadeurs a pris connaissance des propositions dont le Général Von Pawelsz a saisi ce matin le Comité Militaire Allié de Versailles et qui sont transmises par télégramme séparé.¹

Il résulte de ce document:

1° que le paragraphe b) des propositions allemandes a pour effet de rendre vain l'engagement contenu dans le paragraphe a), engagement qui,

¹ Enclosure 1 above.

d'ailleurs, ne correspond plus aux nécessités actuelles de la technique en matière de fortifications.

2° que les propositions contenues dans le paragraphe *b*) permettent de justifier tous les travaux effectués jusqu'ici y compris, par exemple, la transformation des places de Kustrin et de Glogau et rendent possible dans l'avenir la poursuite de l'exécution du programme commencé, la théorie de la 'défensibilité' pouvant justifier toutes les transformations, soit dans le présent, soit dans l'avenir.

3° qu'aucune distinction n'est faite entre la place de Koenigsberg et les autres places de l'Est, sous prétexte que Koenigsberg, n'étant pas une forteresse côtière, ne tombe que sous le coup de l'article 180², bien que Koenigsberg étant situé à moins de 50 kilomètres de la côte, tombe également sous le coup de l'article 196.

En somme, ces propositions tendent, comme d'ailleurs le Général Von Pawelsz l'a déclaré, à placer la question sur un terrain de technique militaire en écartant délibérément le traité.

La Conférence, d'accord avec le Comité Militaire Allié de Versailles, estime que la conversation ne peut être poursuivie sur de telles bases. Cependant, soucieuse que la responsabilité d'un échec ne puisse être imputée aux Gouvernements qu'elle représente, elle s'est mise d'accord avec le Comité Militaire Allié de Versailles pour que celui-ci réponde à la communication du Général Von Pawelsz par la lettre dont le texte suit:

'Monsieur le Lieutenant-Général,

'Le Comité Militaire Allié de Versailles, après avoir communiqué à la Conférence des Ambassadeurs la Note en date du 9 décembre 1926, que vous avez bien voulu lui remettre le 10 décembre 1926, a l'honneur de vous faire connaître les conclusions suivantes, approuvées par la Conférence:

'Les propositions contenues dans votre Note du 9 décembre sont contraires aux conclusions des experts juridiques, adoptées par la Conférence des Ambassadeurs,³ car elles tendent à justifier non seulement les infractions déjà constatées, mais encore à en légitimer l'extension dans l'avenir.

'Dans le cas où vous croiriez devoir rédiger de nouvelles propositions, basées cette fois sur l'avis juridique précité, nous vous serions obligés de nous faire connaître la date à laquelle vous désireriez être entendu par le Comité Militaire Allié de Versailles.'

La Conférence croit utile d'ajouter que la Délégation allemande avait été officiellement prévenue dans la soirée d'hier, que, si le Général Von Pawelsz prenait pour l'avenir des engagements de nature à donner des apaisements aux Gouvernements alliés, la Conférence ferait preuve d'un grand esprit de conciliation en ce qui concerne les infractions actuellement constatées.

Pour ce qui est du matériel de guerre, la Conférence doit, en raison de la complexité de la question, s'en tenir à l'avis provisoire exprimé dans le rapport transmis par les télégrammes 18 à 21.³

² Of the Treaty of Versailles

³ See No. 316.

⁴ The reference was presumably to the report transmitted in Paris telegram No. 414: see No. 343, note 10.

La question des armes non-autorisées est renvoyée à la Commission de Contrôle.⁵

⁵ The text of this telegram as transmitted to the Foreign Office in Geneva despatch No. 70 L.N.C. of December 12 included a final paragraph which read: 'Toutes les décisions de la Conférence ont été prises à l'unanimité.'

No. 352

Unofficial Notes¹ of a meeting held in Sir Austen Chamberlain's room at 11 a.m. on December 11, 1926, at the Beau Rivage Hotel, Geneva

[C 13311/436/18]

The following were present:—

Sir Austen Chamberlain
Monsieur Briand
Dr. Stresemann
Monsieur Vandervelde
Signor Scialoja
Viscount Ishii:

accompanied by Herr von Schubert, Sir Cecil Hurst, Monsieur Hesnard, Monsieur Schmidt and Mr. Troutbeck.

SIR AUSTEN CHAMBERLAIN opened the proceedings by suggesting that the meeting should first discuss the lawyers' report regarding League investigations (Annex A). He enquired whether they could all agree to accept it.

MONSIEUR BRIAND said he thought that there might be some objections among the other members of the Council as regards para. 3 of the report, i.e. the representation of the States subject to investigation on Investigating Commissions in the other countries. There was no difficulty as regards Germany, owing to the fact that she was a member of the Council, but there might be objections in regard to States who were not members of the Council. Monsieur Titulesco had mentioned the matter.

SIR AUSTEN CHAMBERLAIN wondered whether Monsieur Titulesco and any others who shared his view would be satisfied if the paragraph were taken to apply only to permanent members of the Council.

MONSIEUR BRIAND then turned to another point and suggested that the drafting of the last sentence of the lawyers' report might be modified for reasons of style.

Monsieur Briand's recommendations were accepted.

MONSIEUR SCIALOJA then suggested that it might be advisable to reverse the two sentences in paragraph 1. This was agreed and it was also agreed to make a few drafting alterations in that paragraph.

Monsieur Scialoja then suggested that in the penultimate sentence the

¹ Note in original: 'These notes are in no sense to be taken as official. They have not been seen or checked by any of the foreign representatives present. They should therefore on no account be quoted textually.' The notes were received in the Foreign Office on December 20 under cover of Geneva despatch No. 67 L.N.C.

word '*permettent*' should be replaced by the word '*prévoient*'. This was also agreed.

Discussion then turned to the questions of military control and MONSIEUR BRIAND said that in regard to the Koenigsberg fortifications General von Pawel[s]z' latest proposal² (which he had now received from Paris) was of a very negative character and that the General had gone back upon what he had previously accepted verbally. General von Pawel[s]z apparently wished to obtain acceptance of the principle that the construction should be continued. Previously in verbal discussion with the Versailles Committee he had distinguished between offensive and defensive works, but anything of that nature had disappeared from his new written proposal.

SIR AUSTEN CHAMBERLAIN observed that the matter appeared to be a grave one.

DR. STRESEMANN said that he had explained at the previous meeting³ the reason why General von Pawel[s]z had said that work on the fortifications was proceeding.

Dr. Stresemann then read General von Pawel[s]z' proposal.

SIR AUSTEN CHAMBERLAIN said that this proposal was completely opposed to the views of the Ambassadors' Conference and of their jurists and military experts. As he had said at the previous meeting, if a similar proposition had been accepted after the Napoleonic wars, it would have allowed the French Government to replace the Napoleonic fleet by a fleet of super-Dreadnoughts.

DR. STRESEMANN said that Dr. Gaus' moderation was well known and that he (Dr. Gaus) was convinced that the German view was founded upon international law.

MONSIEUR BRIAND said the obstacle seemed almost insurmountable. As a personal suggestion, however, he thought the difficulty might be got over by referring to the Council the question of whether the works constructed were in harmony with the treaty⁴ or not. The Council would of course decide by a majority vote in accordance with the provisions of Article 213 of the Treaty. Meanwhile the German Government must agree not to continue the constructions.

MONSIEUR VANDERVELDE observed that the meeting was only faced with a situation that had already been foreseen, and on the previous day it had been agreed to accept arbitration if agreement were not reached in Paris. The question now was what form the arbitration would best take. Should it be The Hague Court or the procedure contemplated by the Locarno Treaties or, as had now been suggested by Monsieur Briand, the Council acting by a majority? Monsieur Vandervelde said that he would agree to any procedure accepted by the other representatives present. At the same time he did not altogether like Monsieur Briand's suggestion, seeing that ordinarily the Council decided by unanimity. He would prefer that the two outstanding questions (i.e. Koenigsburg [*sic*] fortifications and war material) should be settled by the Locarno procedure, which would probably be more rapid and of less formal a nature than reference to The Hague Court.

² See enclosure 1 in No. 351.

³ See No. 345.

⁴ Of Versailles.

MONSIEUR BRIAND expressed his preference for reference to the Council.

DR. STRESEMANN said that he had received a reply from Berlin on the suggestion made at the previous meeting. The German Government felt no difficulty in accepting arbitration about the Koenigsburg [*sic*] fortifications. As regards war material they would have preferred not to go to arbitration, but in the general interest of getting agreement they left him full liberty to reach a settlement on this point, if necessary by means of arbitration. But he did not wish to entrust such arbitration to the Council. Germany had only taken her seat at the Council at the last Session and he feared that if a matter of such delicacy were brought before the Council and decided by a majority vote against Germany, the result would be to create majority and minority groups in the Council based on the old system of Allies and enemies. This might well discourage public opinion throughout the world, especially in Germany, and the growing confidence in the League now felt in Germany might well suffer.

MONSIEUR SCIALOJA said he saw a further difficulty in accepting Monsieur Briand's suggestion of referring the matter to the Council to be decided by a majority. He doubted whether the Council could settle a point of interpretation of the Treaty by a majority. The only decision the Council could take by a majority under Article 213 was to decide on an investigation, which was quite a different matter from interpreting an Article of the Treaty. Monsieur Scialoja, however, added that he would agree to anything which would facilitate a settlement of the point.

SIR AUSTEN CHAMBERLAIN said that he felt one difficulty about deciding the matter under the Locarno procedure. Great Britain was not a party to the arbitration provisions of Locarno, but at the same time the matters now under discussion had great interest for Great Britain. If it were decided to act under the Locarno procedure some special arrangement would have to be made to allow of Great Britain taking part in the proceedings. With that reservation he could accept arbitration on the question of the Koenigsburg [*sic*] fortifications. On the question of the war material, however, he said that he would be inclined to continue for a time negotiations through the ordinary diplomatic channels. He hoped that an arrangement could be reached by negotiation. In any case he presumed that there would be no question of reopening the points upon which agreement had already been reached. He would suggest then that what had already been agreed upon should be considered as settled, that negotiations on the other questions should continue by diplomatic means, and that if settlement proved impossible in that way, the outstanding points should be referred to arbitration.

MONSIEUR BRIAND agreed and said that it would of course be the best solution to reach a settlement by negotiation if possible. The latest information he had from Paris was that the Ambassadors' Conference were only too anxious to do anything in their power to effect a settlement. It would make the best impression if negotiations were continued not only on the question of war material but on both the outstanding questions.

SIR AUSTEN CHAMBERLAIN and DR. STRESEMANN expressed their agreement.

MONSIEUR BRIAND said that the German Government must make further proposals to the Ambassadors' Conference on the two questions in order to enable discussions to be resumed.

DR. STRESEMAN said that he was not entirely *au courant* with these questions, but of course if the negotiations continued both sides must do their utmost to reach agreement.

In reply to a question by Monsieur Vandervelde, MONSIEUR BRIAND said he thought it would now be possible to fix a date for the termination of control, which would immediately be replaced by League investigations.

SIR AUSTEN CHAMBERLAIN said that a date could be fixed the moment an arrangement was agreed on which contained the certainty of a settlement of the outstanding points. Such a certainty was obtained by arbitration and there was now no reason for not fixing a date.

MONSIEUR BRIAND said that he had not yet received the approval of his Government about agreeing to arbitration, but he hoped to get it very shortly.

DR. STRESEMAN said that he would also consult the German Government.

SIR AUSTEN CHAMBERLAIN said that it was now possible to draw up the general lines of a protocol which, after being put into shape by the lawyers, might be initialled by those present before they left Geneva.

The document attached as Annex B to this record was then drawn up and, after being typed out, was handed round to those present.

While this document was being typed MONSIEUR BRIAND asked what course should be adopted with regard to the points which, though agreed in principle, would not be yet fully executed on the date of the withdrawal of the Commission of Control.

SIR AUSTEN CHAMBERLAIN suggested that a representative or expert of each Power might be left behind in Berlin to deal with the question. As an example he indicated General Wauchope.

DR. STRESEMAN said he had no objection to this course but added that Germany could not agree to the experts being so numerous as to constitute a 'collège'.

No dissent was expressed to this view.

SIR AUSTEN CHAMBERLAIN said that he did not think that this arrangement need be set out in a protocol.

MONSIEUR BRIAND concurred and said that an arrangement 'entre nous' would be sufficient. The arrangement could be put into force by the lawyers. He himself would much prefer that on the whole question a friendly arrangement should be arrived at without any point being referred to arbitration.

After some inconclusive conversation as to the date of the withdrawal of the Control Commission, in which 31st January was mentioned, MONSIEUR BRIAND said that the Ambassadors' Conference must have further instructions, and that this would have a good effect.

SIR AUSTEN CHAMBERLAIN assured Dr. Stresemann that the view prevalent in Germany that it was the English industrialists who were asking for the

prohibitions in regard to war material was a delusion. It was the military authorities who were so concerned about the accumulation of stocks of plant and machinery.

HERR VON SCHUBERT said that the German law already prevented the accumulation of stocks.

SIR AUSTEN CHAMBERLAIN replied that the question was, what was the war material which must not be accumulated.

DR. STRESEMANN indicated the possibility of a compromise on the lines of allowing exports of the material in question but prohibiting the accumulation of stocks.

It was agreed that the Ambassadors' Conference was the body before which this question must be discussed and settled.

SIR AUSTEN CHAMBERLAIN said he attached great importance to there being no further discussion with regard to what was already agreed.

HERR VON SCHUBERT said that the necessary German law would have to be passed even as regards those items.

SIR AUSTEN CHAMBERLAIN agreed and explained that what he meant was that the discussions were not to be reopened, particularly on matters like the police.

DR. STRESEMANN then reverted to the discussion on the previous day regarding the Saar and to the suggestion then made for an adjournment.³ He said he wished to avoid any disagreement before the Council, and if there were to be an adjournment, he wished for an assurance that the numbers of troops in the basin would be diminished.

MONSIEUR BRIAND said that if the matter depended on him alone it would be settled at once. But the question did not rest with him alone and he could not pledge himself.

SIR AUSTEN CHAMBERLAIN said that the matter was one of great importance to himself also.

MONSIEUR BRIAND said that the matter was already settled in principle and he did not think the French Minister for War would be likely to make difficulties.

SIR AUSTEN CHAMBERLAIN said he wished to correct the idea that what had been suggested was merely an adjournment of the question. What had been proposed was that the question at issue should be referred back to the Governing Commission to see whether the members of the Commission could not agree on a solution.

HERR VON SCHUBERT suggested that the French government must diminish the number of troops, which according to his figures at present numbered about 2,000.

MONSIEUR BRIAND repeated that he personally agreed that the numbers ought to be brought down, but that he could not engage his government.

DR. STRESEMANN asked whether Monsieur Briand could not state at the meeting of the Council in the afternoon that he would get into touch with the French Minister for War with a view to reducing the number of troops in the basin.

MONSIEUR BRIAND confessed that he saw difficulties in making a statement to that effect.

DR. STRESEMANN asked whether in that case Monsieur Scialoja (the *rapporteur*) could not insert a statement in his report that further reductions would be effected.

MONSIEUR BRIAND thought that possibly some reference might be made to the Council's previous resolution on the question.⁵

After some further desultory conversation on the question the meeting broke up.

A. C.

17. 12.

ANNEX A TO No. 352

Report of the Lawyers respecting League investigations

Les observations qui suivent peuvent utilement figurer dans le rapport relatif aux investigations.

Répondant à certaines questions posées par le gouvernement allemand sur les règles adoptées par le Conseil le 27 septembre 1924 et le 19 mars 1925, le Conseil donne les précisions suivantes:

1. Les commissions d'investigation agissent sous l'autorité et sur les instructions du Conseil de la Société des Nations statuant à la majorité. C'est au Conseil qu'il appartient de décider, conformément à l'article 213 du traité de paix, s'il est nécessaire dans un cas déterminé de procéder à une investigation et d'en spécifier l'objet et les limites.

2. Dans le but de rendre possible une investigation efficace la Commission d'investigation s'adressera au représentant désigné par le gouvernement allemand ou à ses mandataires, qui devront procurer sans délai l'assistance de l'autorité administrative, judiciaire ou militaire compétente d'après la législation allemande; il sera alors procédé contradictoirement aux recherches et constatations que la Commission jugera utiles dans les limites de sa mission.

3. L'interdiction de faire partir des commissions d'investigation, interdiction prévue pour les représentants des États soumis à l'exercice du droit d'investigation, doit s'entendre en ce sens que les représentants de l'État sur le territoire duquel il est procédé à une investigation ne doivent jamais faire partie de la commission procédant à cette investigation.

Les mêmes précisions s'appliquent naturellement dans le cas des articles 159 du traité de paix avec l'Autriche, 143 du traité de paix avec la Hongrie, et 104 du traité de paix avec la Bulgarie.

En outre, il est entendu que les dispositions de l'article 213 du traité de paix avec l'Allemagne sur les investigations sont applicables à la zone

⁵ In the report which Signor Scialoja presented to the Council of the League of Nations in the afternoon of December 11, he referred to the Council's resolution of March 18, 1926: see *League of Nations Official Journal*, February 1927, p. 163.

rhénane démilitarisée comme aux autres parties de l'Allemagne. Ces dispositions ne permettent pas dans cette zone plus qu'ailleurs une spécialisation de contrôle par des éléments locaux stables et permanents.

S'il doit y avoir dans la zone rhénane démilitarisée de tels éléments spéciaux non prévus par l'article 213, c'est affaire de convention entre les gouvern[e]ments intéressés.⁶

ANNEX B TO No. 352

*Headings of agreement provisionally accepted at the meeting at 11 a.m. on
December 11, 1926*

I. Continuation de la discussion diplomatique sur les questions des fortifications et du matériel de guerre. Il est entendu que les [? de] nouvelles propositions seront communiquées afin de faciliter le progrès de la discussion.

II. Cessation de tous travaux de fortification en attendant la décision, sans préjudice du droit que conserve chaque partie de maintenir son point de vue juridique.

III. Si l'accord n'est pas obtenu dans un délai raisonnable, les parties auront recours à l'arbitrage.

IV. Cet arbitrage portera:

(1) Sur la question de droit (articles 180-196 du traité);

(2) Sur la question de discrimination nécessaire: au cas où l'Allemagne aurait le droit d'effectuer certains travaux, il serait nécessaire de déterminer quels sont ceux qu'autorise le traité.

Quant au matériel de guerre il est entendu que l'arbitrage ne portera que sur les questions qui n'ont pas encore été réglées d'un commun accord.

V. Pour l'arbitrage on aura recours:

soit à une instance à constituer par convention particulière entre les Puissances intéressées;

soit à la Cour Permanente de Justice de La Haye.⁷

⁶ Cf. the report by M. Benes adopted by the Council on December 11 and printed *ibid.*, p. 162.

⁷ The English translation of these heads of agreement embodied in Geneva despatch No. 70 L.N.C. of December 12 wherein Sir A. Chamberlain summarized the reports in Nos. 345, 352, 353, and 355 here included a final paragraph reading: 'The Commission of Control will be withdrawn on the . . . [punctuation as in original]'. Geneva despatch No. 70 L.N.C. further transmitted a revised version of the present annex drawn up by the legal advisers. This version of the draft agreement was generally similar to the present annex but (i) defined the questions to be submitted to arbitration (cf. IV above) as follows: 'Les constructions auxquelles l'Allemagne a procédé sur sa frontière est, et autour de la place de Königsberg, et qui sont encore contrôlées, sont-elles toutes, ou certaines d'entre elles, en tout ou en partie, interdites ou non par les articles 180 et 196 du Traité de Paix de Versailles?'; (ii) included a final paragraph reading: 'La Commission militaire interalliée de Contrôle sera retirée de l'Allemagne à la date du (31 janvier 1927).'

Unofficial Notes¹ of a meeting held in Sir Austen Chamberlain's room at 9.30 p.m. on December 11, 1926, at the Beau Rivage Hotel, Geneva

[C 13312/436/18]

The following were present:—

Sir Austen Chamberlain
M. Briand
Dr. Stresemann
M. Vandervelde
Signor Scialoja
Viscount Ishii

Accompanied by

Herr von Schubert
M. Hesnard
Herr Schmidt, and
Mr. Troutbeck.

MONSIEUR BRIAND opened the proceedings by saying that he had received a telegram from his Government of an unfavourable nature. The position as it appeared to the French Government was that the Ambassadors' Conference had taken up the present question of the termination of military control on the same lines as they had settled the question of the evacuation of Cologne a year ago.² In the latter case the Conference had first of all discussed the outstanding points of disarmament with the German representatives and, when agreement had been reached as to the action to be taken, had fixed a date for the evacuation of Cologne. The same procedure had been used in the present case, and after the conciliatory proposals at first put forward by Dr. Förster they had hoped that agreement would be reached. General von Pawel[s]z, however, had since adopted an uncompromising attitude, and the allied military experts and the Ambassadors' Conference had been unanimous in the view that there was nothing more to be done. Control must be maintained until agreement was reached. Monsieur Briand said that he had telegraphed to his Government saying that Dr. Stresemann had promised to send further instructions to Dr. Förster and General von Pawel[s]z to make new proposals which would permit of diplomatic negotiations being renewed, and he had also pointed out that the procedure upon which agreement had been reached earlier in the day would mean cessation of all further works on the eastern frontiers. He had asked for further instructions, and the French Cabinet were meeting that evening to discuss

¹ *Note in original:* 'These notes are in no sense to be taken as official. They have not been seen or checked by any of the foreign representatives present. They should therefore on no account be quoted textually.' The notes were received in the Foreign Office on December 20 under cover of Geneva despatch No. 68 L.N.C.

² See Volume I, Chapter I.

the matter afresh. It appeared however from the telegram he had already received that the French Government felt that they could not take action in direct contradiction to the advice of the Ambassadors' Conference and the Versailles Committee. The effect on public opinion would be too bad. Monsieur Briand felt no doubt that, if he were in Paris, he would be able to settle matters, but the situation with which they were now faced was that the Ambassadors' Conference had hoped for a further advance from General von Pawelsz and Dr. Förster, but had been disappointed.

DR. STRESEMANN said that there had been no time to give Dr. Förster new instructions.

SIR AUSTEN CHAMBERLAIN said that he thought Dr. Stresemann had not entirely grasped Monsieur Briand's point. Monsieur Briand had been speaking of yesterday's meeting at the Ambassadors' Conference,³ not of what had passed in Geneva to-day. What had been wanted was a forward move from General von Pawel[s]z, instead of which he had receded and indeed had raised further difficulties on points which they had previously imagined to be settled.

MONSIEUR BRIAND said that the impression in Paris was that the German representatives had been conciliatory so long as they thought that control was going to last, but had become uncompromising as soon as they believed it was to disappear.

DR. STRESEMANN appeared to suggest that Monsieur Briand attached too great a value to the question of the Control Commission. It was only a small part of a very big question. In certain German circles there was a strong feeling that no more concessions should be made and that the Control Commission should be left where it was. It was that spirit which Dr. Stresemann had to fight. The difficulty was that all the Foreign Ministers here in Geneva were out of direct contact with their colleagues at home.

SIR AUSTEN CHAMBERLAIN observed that it was not just to accuse Monsieur Briand of attaching too great importance to military control.

DR. STRESEMANN explained that what he had meant was that some people in Germany thought that there was little to choose between the continuance of the Control Comⁿ. & League control. (Privately he told the S[ecretary of] S[tate] that Hindenburg had taken this view & even preferred the Allied Control.)

MONSIEUR BRIAND said that his personal view was that on moral and political grounds the German Government ought to have what they wanted. In his opinion control now ought to go and be succeeded by League investigations. But his Government wanted further proposals of a conciliatory nature from the German side, and he was convinced that if they were made they would be received in a most conciliatory spirit by the Ambassadors' Conference. He turned to the Koenigsburg [*sic*] fortifications question as an example. General von Pawel[s]z had previously spoken of discriminating between offensive and defensive works, but when it came to making a formal proposal he had submitted to the Conference a note of a wholly negative

³ See enclosure 2 in No. 351 and No. 354.

character. Presumably he had imagined that the question was to be fought out on juridical grounds and had therefore stated his case in the most extreme terms. The unfortunate effect on the Ambassadors' Conference was only natural.

Continuing Monsieur Briand asked if Dr. Stresemann could not instruct the German representatives in Paris to submit further proposals so as to allow discussions to be reopened. The Ambassadors' Conference had been advised by unanimous recommendations of the Control Commission and the Versailles Committee to reject the German proposals. How could they go against those recommendations and how could the French Government disavow the Ambassadors' Conference, the Versailles Committee and the Control Commission?

DR. STRESEMANN suggested that it need not be necessary to disavow the Ambassadors' Conference. It could be explained that negotiations would be continued on the basis of new proposals.

MONSIEUR BRIAND said that that was his only hope. If he were in Paris he was sure he could settle matters on the basis of fixing a date for ending control and replacing it immediately by League investigations. Unfortunately his chief supporter in the Cabinet, Monsieur Herriot, was at Lyons. However, he was sure that he would be able in any case to arrange matters a few days after he got back to Paris.

SIR AUSTEN CHAMBERLAIN said that no man recognised more than he the debt owed to the Ambassadors' Conference. He had the fullest confidence in Lord Crewe, who was a man of the most liberal and conciliatory nature. If Lord Crewe too had received this unfavourable impression of General von Pawel[s]z, it was clear that the latter must have produced a very different impression from that produced by Dr. Stresemann on the present company. But the Foreign Ministers must respect their representatives in Paris and could not disavow them. In Paris matters had come to a standstill because the Conference saw no means of solution. But in point of fact there was a new factor which had come to light during the discussions here in Geneva.

DR. STRESEMANN pointed out that the position was difficult for the German representatives in Paris where two men of not great seniority were opposed to the whole force of the Ambassadors' Conference.

SIR AUSTEN CHAMBERLAIN said that if the Ambassadors' Conference had reached a week ago the point at which those present had now arrived, the position would have been different. Any difficulties which had found no solution in Paris could have been arranged here. The difficulty now was that, if the Foreign Ministers at Geneva were to carry through a settlement contrary to the express advice of the Ambassadors' Conference, they would appear to be disavowing the latter. Public opinion would not realise that in fact a new situation had arisen.

MONSIEUR BRIAND said he was sure that agreement on the outstanding points would eventually be reached by negotiation. Before leaving for Geneva he had found Marshal Foch in a very conciliatory mood, but the Marshal had been completely taken aback by General von Pawel[s]z'

proposals. In any case Monsieur Briand hoped to be able to report better news the following morning.

MONSIEUR VANDERVELDE suggested that, supposing that the French Government still adhered to their present opinion, could it not be explained to the Ambassadors' Conference that agreement had been reached to refer the matters of difficulty to arbitration?

SIR AUSTEN CHAMBERLAIN said that in diplomatic crises it was a favourite trick for a Delegate to order his train to be in readiness for his departure. He for his part proposed to remain in Geneva until the question was settled.

HERR VON SCHUBERT said he did not quite understand why there was a question of disavowing the Ambassadors' Conference.

MONSIEUR BRIAND said that the point was that that would be the impression abroad. In the negotiations for the evacuation of Cologne, it was the Ambassadors' Conference who had carried through the discussions and taken the decisions. As had already been explained, the Conference had hoped to arrange this question of the termination of control by the same methods as they had used for the evacuation of Cologne. In spite of their conciliatory attitude however they had been met by a complete negative on the part of General von Pawel[s]z.

SIR AUSTEN CHAMBERLAIN said that he knew Lord Crewe very well and knew him to be a man of most conciliatory views. He did not wish to disavow Lord Crewe. He was wondering whether, when the French Government had before them all the explanations of what had been done in Geneva, they would not realise that the situation had been wholly changed as a result of the exchange of views here. If the French Government saw matters in that light, as he hoped they would, it might be possible to find a solution of the difficulty by inviting the Ambassadors' Conference to settle matters on precisely the same lines as it had been agreed on to-day here in Geneva.

MONSIEUR BRIAND said that he felt confident that he would be able to give better news on the following morning and in any case he felt sure that he would be able to settle matters in Paris within four or five days if he were helped by a little goodwill on Dr. Stresemann's part.

The meeting then adjourned to 11 o'clock the following morning.

A. C.

No. 354

*The Marquess of Crewe to Sir A. Chamberlain
(Received December 13, 8.30 a.m.)*

No. 416 Telegraphic: by bag [C 13033/436/18]

PARIS, December 12, 1926

A meeting of the Ambassadors' Conference was held at 4 p.m. on December 10th under the Presidency of Monsieur Jules Cambon. I was present and representatives of the Italian, Japanese, Belgian and United States Embassies also attended. The following questions were considered:

German Disarmament.

(a) *Associations.* Monsieur Massigli stated that Herr Förster had just communicated the texts of four further documents on this subject, copies of which will be forwarded to you as soon as available.¹

(b) *Police.* Monsieur Massigli informed the Conference that in conversation with Herr Förster, the latter had stated that he did not think that there would be any objection to a modification in the sense desired by Marshal Foch (see my telegram No. 413² of December 9, Section 1, paragraph (a)).

(c) *Koenigsberg fortifications.* Marshal Foch stated that General Von Pawelsz had met the Versailles Committee on that morning and had communicated to it a written proposal (see my despatch No. 2365³ of December 10). He added that General Von Pawelsz had discussed the interpretation of the relevant articles of the Treaty of Versailles and that the Versailles Committee had simply replied that they could not go outside the interpretation given to those articles by the Drafting Committee⁴ and accepted by the Ambassadors' Conference. Monsieur Massigli informed the Conference that he had seen Herr Förster on the previous evening and explained to him frankly that if General Von Pawelsz would give a satisfactory undertaking for the future, the delinquencies of the past would be treated in a most conciliatory spirit. Various proposals as to what further action, if any, could be taken and as to what communication on the subject should be made to the ex-allied representatives at Geneva were then discussed. I suggested and was supported by Monsieur Massigli that it might help the position if the Versailles Committee were to furnish General Von Pawelsz with a practical military interpretation of the jurists' opinion. Marshal Foch raised objections to this proposal. Monsieur Cambon suggested that the question might be referred again to the Commission of Control for further examination. I replied that I could under no circumstances accept such a course. I then suggested that it was only right that an answer should be given to General Von Pawelsz' proposals and that the members of the Versailles Committee should immediately draft the required reply. The reply was thereupon drafted and approved by the Conference. (See my despatch No. 2365 of December 10). It was considered that by taking such action, the door would remain open for any further negotiations.

(d) *War Material.* It was not found possible for the Versailles Committee to consider the question.

(e) *Training in Unauthorized weapons.* It was decided to submit this question for settlement through the Versailles Committee to the Commission of Control as was done in the case of the questions of minor importance.

¹ Paris despatch No. 2403 of December 16, not printed, transmitted to the Foreign Office copies of the documents referred to as (h), (i), (a), (b), and (c) respectively in paragraph 1 of Note No. (2) in No. 434. The two latter documents were marked 'Remis par M. Förster le 14 Décembre 1926'. An undated circular from the Prussian Minister of the Interior to Subordinate Authorities was also included, evidently in annex to document (h) in No. 434.

² No. 343.

³ No. 351.

⁴ See No. 313.

No. 355

Sir A. Chamberlain (Geneva) to Sir W. Tyrrell (Received December 20)
No. 69 L.N.C [C 13313/436/18]

GENEVA, December 12, 1926

The British Delegate to the League of Nations presents his compliments, and has the honour to transmit copy of the under-mentioned document.

<i>No. and Date</i>	<i>Subject</i>
Unofficial notes of meeting held in Sir A. Chamberlain's room on 12th December.	Termination of military control in Germany.

ENCLOSURE IN NO. 355

Unofficial Notes¹ of a meeting held in Sir Austen Chamberlain's room at 11.30 a.m. on December 12th, 1926, at the Beau Rivage Hotel, Geneva

The following were present:

Sir Austen Chamberlain
M. Briand
Dr. Stresemann
M. Vandervelde
Signor Scialoja
Viscount Ishii.

Accompanied by:

Herr von Schubert
Sir Cecil Hurst
M. Fromageot
Dr. Gaus
M. Hesnard
Herr Schmidt
Mr. Troutbeck.

MONSIEUR BRIAND opened the proceedings by saying that he had been in further consultation with his Government as a result of which he felt that there was a possibility of agreement. His personal view was that it would be possible to fix a date, but certain points must be laid down. In the first place it must be agreed that the German representatives in Paris should be given new instructions to allow of the discussions being reopened on the two outstanding points (Königsberg fortifications and war material). Secondly it must be agreed that new works on the fortifications must cease. A third

¹ *Note in original:* 'These notes are in no sense to be taken as official. They have not been seen or checked by any of the foreign representatives present. They should therefore on no account be quoted textually.'

point was that representatives of the Control Commission should remain attached to their respective Embassies in Berlin to see to the execution of the points upon which agreement had been reached, but which still required execution. Fourthly, Allied Control must be immediately replaced by the system of League investigations, and if agreement were not found possible in Paris as a result of the new instructions to be given to the German representatives, the final settlement of the two outstanding points of difficulty must be referred to the League. There could be no further question of arbitration.

DR. STRESEMANN said that he had consulted his Government and that the German Cabinet had met that morning. He had asked them whether they had sent any further instructions to the German representatives in Paris and had received in reply an emphatic negative. The German Government had added that, in view of General von Pawel[s]z' past record, it was almost unbelievable that he had taken up an uncompromising attitude in Paris. The German Government could not believe that he had ever even mentioned the possibility of offensive works being constructed on Germany's eastern frontier. The idea was absurd on military grounds. On the other hand the German Government still insisted on their right to have defensive fortifications on the east. Dr. Stresemann continued that the German Government were prepared to accept the agreement reached at the discussions on the previous day and, in regard to Sir Austen Chamberlain's suggestion respecting the accumulation of stocks of war material, they were prepared to give the most precise guarantees on that point. They further agreed to give fresh instructions to the German representatives in Paris with a view to the continuance of discussions on the outstanding points.

Dr. Stresemann added that he had received no news about the alleged disagreement between Dr. Förster and the Ambassadors' Conference. He *had* heard that there had been a personal disagreement between Dr. Förster and General Walch and he thought that that might be the reason why contact had been broken off between the two parties. He assured those present once more that no further instructions had been sent to the German representatives in Paris.

SIR AUSTEN CHAMBERLAIN said that two points arose out of Dr. Stresemann's remarks. In the first place the German Government made no claim to construct offensive works; their only desire was to have defensive works, and the question was therefore narrowed down to the limits to be placed on such defensive works. Secondly the German Government were ready to reconsider the question of war material and to make proposals which would give all guarantees against accumulation of stocks. That was the point to which, he understood, the French and British military authorities attached the greatest importance.

MONSIEUR BRIAND said that Dr. Stresemann's explanations would clear up the misunderstanding and allow of discussions being renewed in Paris. He remained of opinion that much the best solution would be if the outstanding points could be amicably settled. He then turned to consideration of the form in which an agreement might be reached among the ministers

present and suggested that the first point to be made should be that the Allied requirements in June 1925 had contained over 100 points, that all had been settled with only two exceptions, and on these new proposals were being made. Monsieur Briand thought that a paragraph to that effect would make an excellent impression on public opinion. Certain organs of the Press were trying to raise difficulties and poison public opinion, and it would have a most salutary effect if it was pointed out that only two matters now remained outstanding out of over 100 that had been settled. He suggested that the second point in the agreement should be that new instructions were being sent to the German representatives in Paris. The third point should be that military experts might remain attached to the various Embassies in Berlin to see to the execution of the points upon which agreement had recently been reached. The next point would refer to the withdrawal of control, and it could be said that if the two outstanding points were not amicably settled, the League of Nations would take up the control of those questions. Monsieur Briand suggested that an arrangement on the above lines would give the German [Government] the points for which they were asking.

DR. STRESEMANN said that he entirely agreed with two of the points propounded by Monsieur Briand, i.e. those relating to new instructions to the German representatives in Paris and the cessation of work on the fortifications. As regards the retention of military experts in Berlin, [he] did not quite understand Monsieur Briand's meaning; it seemed to him to be an internal matter which merely concerned the various Embassies; but the German Government could not agree to any form of Commission² remaining. In regard to Monsieur Briand's proposal that the Council should be asked to settle the two outstanding questions, Dr. Stresemann had every hope that before Control was withdrawn those points would be settled, especially as the German Government had now made an advance on the more difficult one of war material. To make a personal remark, Dr. Stresemann said that for himself he had always felt it to be a matter of political honour to prevent any investigations ever taking place. He felt that in practice it would be impossible for a member of the Council to submit to investigations, and indeed impossible that such a situation should ever be necessary. His hope was that League investigations would never in fact materialise. (Monsieur Briand agreed.)

Continuing Dr. Stresemann said that Germany's presence in the League had had a good start, but he feared that, if in her first year of membership the Council were asked to settle these two delicate questions, a situation of some difficulty would arise. Naturally the Council being new to the problem would have to reopen both questions from the beginning. He felt that after Germany and the Allies had managed to settle 99% of the disarmament questions by negotiation, it was undesirable to transfer the remaining 1% to the League. He had talked the matter over with the German Chancellor, and the German Government were in entire agreement, and were confident

² Sir A. Chamberlain here noted in the margin "gremium", a corporate body, as being the word used by Dr. Stresemann.

that the new proposals which were to be made on the fortifications question would permit of the solution of that question. Dr. Stresemann added that he felt so strongly on this point that he might even agree to the postponement of the date of the end of control in order to have it settled to his satisfaction. In fact he attached less importance to the particular date than to the fact of some date being fixed.

MONSIEUR BRIAND said that the instructions he had received from his Government were that the outstanding points must be settled, after which Control could come to an end. If he agreed to fix a definite date, he was actually going beyond his instructions, and he could only do so if he were given some *quid pro quo*. Moreover, what he was asking was clearly contemplated by the Treaty.³ Nobody desired an investigation by the League less than himself, and he was convinced that an investigation would never take place provided a certain measure of good-will were shown on the German side. At the same time if he were to agree to a date for the end of Control, he must insist on his point that the League of Nations should be invited to settle the two outstanding points if they could not be settled by diplomatic means. He declared that there was nothing contradictory between what he was now proposing and what had been accepted on the previous day. He gathered from Dr. Stresemann's remarks that the latter did not feel greatly interested in fixing a date, but he (Monsieur Briand) would go further than Dr. Stresemann on that point and offer to fix a date; only he must have something in return.

DR. STRESEMANN said that Monsieur Briand had evidently misunderstood him. He had not said that he was not greatly interested in fixing a date. His meaning was that the particular date fixed was of less importance to him.

MONSIEUR VANDERVELDE said that he felt there was a misunderstanding between Dr. Stresemann and Monsieur Briand, and he would explain the precise reasons why he could accept Monsieur Briand's proposal and felt that it should be acceptable to Germany. At Locarno the German Delegation had insisted that Allied Control should end and League investigations take its place. The Allied Delegations in reply had undertaken to end control the day on which Germany had carried out a certain number of points. Those points were duly set out and it was unnecessary to repeat them. The position now reached was that Germany had executed, or very nearly so, all the questions which she had been asked to carry out with the one exception of war material. If, therefore, a new point had not arisen, the question now would have been a very simple one. Germany had done what she promised; it was now for the Allies to withdraw Control. But a new factor had arisen which had not been contemplated at Locarno, viz. the construction of the works at Königsberg to which great importance was naturally attached on the allied side. The Allies had, therefore, said that they would agree to withdraw control the moment Germany accepted arbitration. At the meeting yesterday morning, Monsieur Briand had suggested League investigation as an alternative, but he (Monsieur Vandervelde) had felt certain objections to

³ Of Versailles.

that proposal, which, however, were very different from those raised by Dr. Stresemann. His (Monsieur Vandervelde's) feeling had been that it might prove very embarrassing to the Council to be asked to settle the matter. But in point of fact, if the two points were referred to the Council, the latter would not have to undertake any investigation, as the facts of the case were already known. There would then be no question of the Council acting by a majority vote; it would in fact be faced with precisely the same difficulty with which the present company were faced. The point would be the juridical one of what fortifications Germany could construct in conformity with the Treaty. The Council would itself if necessary take the same course as the present company had suggested, viz, refer the point to arbitration and probably to The Hague Court. If, therefore, the Germans accepted Monsieur Briand's suggestion, they would in fact be accepting less than they had accepted on the previous day. In fact it would be a concession to Germany. Monsieur Vandervelde said that he himself would have preferred arbitration pure and simple, and he felt it difficult to see why the German Government should find it difficult to accept Monsieur Briand's proposal to refer the matter to the Council.

At this point Dr. Stresemann and Herr von Schubert left the room to communicate with Berlin.

MONSIEUR BRIAND said that his proposal did not exclude arbitration. It merely refrained from suggesting arbitration straight away, which he thought would have a bad effect on public opinion. The public would derive the impression that a dispute (*un procès*) had arisen and that agreement had proved impossible. But of course far the best solution would be by amicable agreement. M. Briand added that he might find himself in difficulties with certain members of the French Government, certain among whom attached undue importance to Allied Control. His own view was that League investigations contained a far greater guarantee, even if they did not actually take place. Luckily he had kept a letter from a certain highly placed personage expressing this view and that was why he felt it possible to make the personal proposal which he had put forward.

SIR AUSTEN CHAMBERLAIN said that his opinion was that League investigations would for moral reasons be of greater value than Allied Control.

MONSIEUR BRIAND said that it was necessary to provide for the situation which would arise when those present were no longer in power. The moral force of League investigations would be far greater than that of the Commission of Control. To retain control meant to continue disputes. The whole position would be very different if it were possible to address the German Government amicably on some point on which suspicions had been aroused and to beg them to clear the matter up in order to avoid a League investigation.

SIR AUSTEN CHAMBERLAIN said that he had been much struck by a remark made by Dr. Stresemann on the previous day when he had deprecated bringing the Council into the existing difficulties. At the same time it must be remembered that there were only two points outstanding and that all that

the Council could do in regard to them would be to refer them to arbitration either to The Hague Court or elsewhere. The Council would in fact hand the matter over to some other body almost immediately it was 'seized' of it. Continuing Sir Austen Chamberlain suggested that it might be possible to conciliate Dr. Stresemann's and Monsieur Briand's views on the following lines:—The interested Governments had every hope of arriving at a solution of the outstanding point[s] by diplomatic means; but if that proved impossible, any questions still in dispute would be submitted to the Council unless the Ambassadors' Conference decided that a special Court of Arbitration was more appropriate. This solution would moreover have the advantage of supporting the authority of the Conference.

MONSIEUR BRIAND said that he would not find difficulty in agreeing to that solution himself, but he felt sure that in Paris the feeling was that, if a date were fixed for ending Control, League investigations must at once come in. Sir A. C. said that this opinion was decisive for him.

Dr. Stresemann and Herr von Schubert at this point returned.

In reply to an enquiry by Dr. Stresemann, MONSIEUR BRIAND said that in his absence the other representatives had agreed to his proposal.

SIR AUSTEN CHAMBERLAIN said that two things had been added. In the first place it had been made clear that the solution proposed would not prevent the interested Governments from taking matters to arbitration direct if they wished. But public opinion in England would be greatly relieved if it learnt that matters of difficulty were if necessary to be referred to the Council. Secondly, Monsieur Vandervelde had made the reply to the difficulties propounded by Dr. Stresemann on the previous day. He (Sir Austen Chamberlain) had at the time shared Dr. Stresemann's doubts about bringing the Council into the existing difficulties. But Monsieur Vandervelde had pointed out that the Council would only be able to refer the matter to arbitration, probably to The Hague. There would thus be no embarrassing discussion before the Council.

MONSIEUR BRIAND said that the interested parties could themselves refer any small points that remained over to arbitration.

MONSIEUR VANDERVELDE pointed out that there would be no investigation at Königsberg. The Council would merely refer the matter to arbitration. In fact he expected he would be attacked at home by agreeing to this solution.

MONSIEUR BRIAND emphasised the good effect that it would have on public opinion. Returning to a point raised in Dr. Stresemann's earlier remarks, he said that in regard to the proposal to leave military experts attached to the various Embassies in Berlin, he did not ask for any Commission⁴ to remain.

MONSIEUR VANDERVELDE said that if these points were referred to the Council, the latter would not constitute itself into a court acting by majority. That was what he had understood Monsieur Briand to suggest on the previous day, and he (Monsieur Vandervelde) had not been able to agree.

⁴ A note on the original by Sir A. Chamberlain here read 'collège'.

That was why he had supported the proposal for arbitration. But now he saw that the Council itself would refer the matter to arbitration.

DR. STRESEMANN asked whether a paragraph could not be included in any agreement that was now reached on the following lines:—If settlement on the outstanding points was not reached by a certain date, the question would be referred to the Council who would in turn refer it to The Hague Court; or alternatively the Powers themselves would agree to take the matter to The Hague. This would presumably satisfy Monsieur Briand and was important to the Germans who wished to have a legal decision on a legal question. In Germany the work of the Council was not as well known as it was in other countries, whereas the greatest confidence was felt, even among the extreme Nationalists, in The Hague Court.

MONSIEUR BRIAND said that Dr. Stresemann's proposal did not meet his difficulties. In fact it would not change the proposals drawn up yesterday. There was no intrinsic objection to arbitration, but he could not agree to the word being put into the agreement. His Government would never allow him to accept that proposal.

SIR AUSTEN CHAMBERLAIN said that there was another reason against Dr. Stresemann's proposal, which was that it was essential to avoid appearing to dictate procedure to the Council. He reminded those present of the difficulties which had arisen for that very reason in March.⁵ He felt sure that the worst impression would be made on the Council and on the Assembly if the Locarno Powers met after the departure of the Council and gave the impression of taking decisions that only the Council could itself take.

MONSIEUR BRIAND agreed.

SIR AUSTEN CHAMBERLAIN reminded those present of the letter about Article 16 of the Covenant which had been drawn up at Locarno.⁶ Dr. Nansen⁷ had taken exception to it not because he disagreed with its contents, but because he thought it derogated from the rights of the Council and the Assembly. Moreover, British public opinion was very sensitive on that score.

DR. STRESEMANN said that the points actually under discussion only interested certain Powers on the Council. Chile, for instance, was not interested in the Königsberg fortifications, and it really seemed absurd to over-estimate the susceptibilities of the Council. Moreover, it was surely a proof of respect to refer the question to the Council at all.

SIR AUSTEN CHAMBERLAIN, after a private discussion with Dr. Stresemann, said that the latter would be satisfied if he could inform his government confidentially that the representatives here assembled were agreed that if the questions were taken to the Council, the latter would refer them to the Permanent Court. Was there any objection to letting Dr. Stresemann do this?

⁵ See Volume I, Chapter III, for documentation relating to the failure to secure agreement regarding Germany's entry into the League of Nations.

⁶ See No. 320, note 6.

⁷ Norwegian delegate to the Assembly of the League of Nations.

M. BRIAND said he could not agree. His instructions were to get things settled by the Ambassadors' Conference. On his own authority he was prepared to go further and fix a date for the withdrawal of control. But in return he must have it laid down that the question would go to the Council if agreement were not otherwise reached. He could not go further than that and have it definitely stated that the Council would refer the matter to arbitration.

SIR AUSTEN CHAMBERLAIN said that M. Briand had evidently gone as far as he was able. He suggested that M. Briand's proposal gave the Germans all they really wanted.

M. VANDERVELDE once more explained the arrangement contemplated and added that clearly M. Briand could not press his government too far.

M. BRIAND said that he would make two confessions in confidence. In the first place the impression in Paris was that the moment arbitration had been mentioned all efforts on the German side to reach agreement had ceased and General von Pawel[s]z had at once taken up an uncompromising attitude. In Paris it was believed that, if the principle of arbitration were now accepted, no further amicable negotiations would in fact take place. Secondly, he (M. Briand) was being strongly attacked in the French press for sacrificing Poland. Those were his difficulties; he felt confident that the proposals he had made would satisfy everybody and he thought his government would accept them.

At Sir Austen Chamberlain's suggestion the Legal Advisers were then invited to draw up a document embodying the points upon which agreement had been reached.

M. BRIAND then went through the points which should be included in the document to be drafted by the lawyers.

DR. STRESEMANN said that he had asked the German Cabinet by telephone to remain in session. As regards General von Pawel[s]z he had further evidence that there must have been a misunderstanding about his alleged uncompromising attitude. That very morning General von Pawel[s]z had sent him a new proposal in regard to the Königsberg fortifications which (unless wrongly decyphered) went so far that he was not sure that he could agree to it. He then asked whether there would be any objection to his informing the Foreign Affairs Committee at Berlin when he appeared before that body, that it was his personal impression that, if these two outstanding points were referred to the Council, the latter would refer them again to the Hague Court.

M. BRIAND said that he had no objection to this. It was in fact his own personal impression also.

(The meeting then adjourned until 4 o'clock.)

When the meeting re-assembled at 4 o'clock, it had before it the draft agreement prepared by the lawyers. This was agreed to with certain drafting alterations. It was arranged that Sir Austen Chamberlain should initial⁸ it

⁸ It would appear from Geneva despatch No. 70 L.N.C. that Sir A. Chamberlain signed the document.

and keep the copy. M. BRIAND declared his preference for that arrangement rather than that the document should be signed by all present.

A copy of the agreement, as modified by the meeting, is attached as an annex to these notes.

A. C.

ANNEX TO No. 355

*Agreement regarding military control in Germany*⁹

Genève, le 12 décembre, 1926

Au cours d'un entretien tenu à Genève le 12 décembre 1926 entre les représentants des Gouvernements d'Allemagne, de Belgique, de France, de Grande-Bretagne, d'Italie et du Japon, relativement aux questions restées pendantes devant la Commission militaire interalliée de Contrôle et la Conférence des Ambassadeurs, il a été tout d'abord constaté avec satisfaction que, sur plus de cent questions qui, au mois de juin 1925, divisaient lesdits Gouvernements en matière d'exécution des clauses militaires, navales et aériennes du Traité de Paix de Versailles, un accord est intervenu sur la plupart d'entre elles. Deux seulement restent en suspens; tout permet donc d'espérer que ces deux questions pourront elles-mêmes être également réglées à l'amiable.

Dans ces conditions, il a été entendu ce qui suit:

1. La discussion diplomatique sur la question des fortifications et la question du matériel de guerre sera continuée devant la Conférence des Ambassadeurs. De nouvelles propositions seront faites en vue d'aider au progrès de la discussion et d'en faciliter la conclusion;
2. En attendant qu'une solution intervienne, tous travaux de fortification dont il s'agit cesseront, sans préjudice du droit des parties de maintenir chacune son point de vue juridique;
3. La Commission militaire interalliée de Contrôle sera retirée d'Allemagne à la date du 31 janvier 1927, et à partir de cette date l'article 213 du Traité de Paix aura son application dans les conditions arrêtées par le Conseil de la Société des Nations;
4. Si à cette date et contre tout espoir lesdites questions n'avaient pu recevoir leur solution amiable, elles seront portées devant le Conseil de la Société des Nations;
5. Pour toutes les questions d'exécution concernant les solutions intervenues ou à intervenir chacun des Gouvernements représentés à la Conférence des Ambassadeurs pourra attacher à son Ambassade à Berlin un expert technique qui aura qualité pour s'entendre avec les autorités compétentes allemandes.

⁹ The English text of this document is printed in *Gustav Stresemann, op. cit.*, vol. iii, pp. 77-78.

CHAPTER III

Final negotiations relating to the withdrawal of the Inter-Allied Military Commission of Control from Germany: reactions to the Treaty of Tirana December 13, 1926–February 1, 1927

No. 356

*Mr. Phipps (Paris) to Sir A. Chamberlain (Received December 14, 8.30 a.m.)
No. 419 Telegraphic: by bag [C 13172/436/18]*

PARIS, December 13, 1926

Monsieur Berthelot told me this afternoon in the course of conversation that Monsieur Briand was particularly touched at the loyal and friendly manner in which you had supported him at Geneva; indeed he felt that without your support agreement would have been impossible.

2. Monsieur Berthelot said that although Saturday and Sunday¹ had been very disagreeable days in Paris, he thought that the danger which Monsieur Briand had run was more apparent than real, for Monsieur Poincaré and the other members of the Cabinet fully realised that all the groups of the Left were behind Monsieur Briand in his foreign policy, and the whole Cabinet would have collapsed in the event of his resignation.

3. Monsieur Berthelot fears that the Germans, although they may bring forward fresh proposals in regard to the export of war material, will not make any further proposals over the Koenigsberg fortifications, but will merely entrench themselves behind their contention that the relevant articles of the treaty of Versailles permit them to bring those fortifications up to date, and consequently will insist on the necessity for going to arbitration.

¹ December 11 and 12, 1926.

No. 357

*Sir A. Chamberlain to Mr. Kennard (Belgrade)
No. 83 Telegraphic [C 13034/391/90]*

FOREIGN OFFICE, December 14, 1926, 6.30 p.m.

Mr. Seeds' telegrams Nos. 59 and 61¹ of the 11th and 12th December. Treaty of Tirana.

¹ Not printed. These telegrams reported that the Serb-Croat-Slovene Chargé d'Affaires in Durazzo had warned Ahmed Zogu Bey that his Government would regard Albanian ratification of the Treaty of Tirana as an unfriendly act.

If Acting Minister for Foreign Affairs confirms and approves reported message given by Yugoslav Chargé d'Affaires at Durazzo to Albanian government, it would be desirable in view of this dangerous action that you should no longer wait to be approached but should take the initiative in exercising such restraining influence as you can at Belgrade with a view to preventing rupture of relations between Albania and Yugoslavia. You should therefore, if necessary, at once ask the Acting Minister for Foreign Affairs whether it was on instructions from Belgrade that Yugoslav representative has informed the Albanian government that the ratification of the treaty of Tirana would be regarded by Yugoslavia as an unfriendly act and if so express the hope that he does not, now that the treaty has been ratified, intend to interpret this warning literally. Surely no such grave decision will be taken in the absence of a properly constituted government? Moreover it is difficult to see how the threat already made is going to serve Yugoslavia's interests for its most probable effect will be to throw Albania into the arms of Italy and make it more difficult for the future Yugoslav government to conclude a treaty with Albania in accordance with the advice given by the Secretary of State to the Yugoslav representative at Geneva (see Geneva telegram 219).²

Lastly, you should remind Acting Minister for Foreign Affairs seriously of Yugoslavia's obligations under article 12 of the covenant and say that His Majesty's Government are convinced that he will be careful and anxious not to put Yugoslavia in the wrong by precipitate action, taken in the heat of the moment and without due reflection.

You should endeavour to co-operate in this matter with your French colleague.³

Repeated to Durazzo No. 62, Rome No. 296 and Paris No. 285 (by bag).

² No. 347.

³ Mr. Kennard replied in Belgrade telegram No. 164 of December 15 that the Assistant Serb-Croat-Slovene Minister for Foreign Affairs had admitted the action recorded in note 1 above, but had stated that there was no question of a rupture of relations with Albania: his French colleague had received a similar assurance.

No. 358

Mr. Phipps (Paris) to Sir A. Chamberlain (Received December 15, 8.30 a.m.)

No. 420 Telegraphic: by bag [C 13173/391/90]

Confidential

PARIS, December 14, 1926

Italy and Albania

I found Monsieur Berthelot distinctly disturbed in regard to the situation. He told me that the Greeks, who had at first declined to consider certain advances made to them by the Yugoslavs, were thinking better of their refusal, in view of their apprehensions in regard to Italian intervention in the Balkans. The Yugoslavs were even beginning to flirt with the Soviets, and were now inclined to recognise them. They were also throwing out feelers at Sofia with a view to the possible formation of a Balkan block directed against

Italy. France, Monsieur Berthelot said, had throughout given counsels of moderation to the Yugoslavs, who had wished to break off diplomatic relations with Albania, but had refrained owing to French advice. Signor Mussolini had spoken strongly a couple of days ago to the French Ambassador at Rome,¹ saying that the French barred Italy's way everywhere, expressing his displeasure at the tone of the French press over the pact of Tirana and complaining bitterly of the anti-Fascist attitude of the Yugoslav Minister at Rome. Monsieur Besnard had replied that French public opinion had naturally been taken aback, the French government not having been warned beforehand, like His Majesty's Government had been, of the intention of the two countries to conclude a pact. Signor Mussolini, it seems, assured Monsieur Besnard that his action had the complete approval of His Majesty's Government. This, I remarked, was an exaggeration, but His Majesty's Government felt that the Yugoslav Government had shown themselves over-susceptible in the matter. I added, moreover, that the Italians had declared that they would view favourably Yugoslav accession to the pact of Tirana or the conclusion of a similar pact between Yugoslavia and Albania. Monsieur Berthelot here read me out a telegram from the French Ambassador at Rome stating that Signor Grandi had yesterday summoned the Yugoslav Minister and had told him that Signor Mussolini viewed with great displeasure the reasons given by Monsieur Nincic for resigning. In these circumstances Signor Mussolini could not admit either the accession of Yugoslavia to the pact of Tirana or the conclusion by her of a similar pact with Albania, and any statement to the contrary by his subordinates no longer held good.

2. Monsieur Berthelot feels that Italy is trying in one quarter after another to gain a diplomatic success and that she is now adopting a hectoring attitude towards a weaker Power. He says that the Tirana pact originally contained a clause enabling Italy to intervene in Albania whenever she thought that the internal situation there required it; this the Albanians, however, easily persuaded her to modify and the words 'in case Albania should demand such intervention' were added. Monsieur Berthelot says that the Albanians suggested some time ago to the Yugoslavs that they would be ready to conclude a pact with them if the latter were willing to give them 10 million francs, but the Yugoslavs declined. He thinks the Italians have now probably given or promised some such sum to Albania, hence their readiness to accept the above modification, for they feel that that power is in their pocket.

3. Monsieur de Fleuriau is being instructed to speak to you on the subject.²

¹ It would appear that the telegram from Signor Mussolini printed in *I Documenti Diplomatici Italiani*, Settima Serie, vol. iv, pp. 421-2, refers to this conversation.

² Sir A. Chamberlain stated in his despatch No. 3474 to Paris of December 15 that the French Ambassador had spoken to him about urging moderation on the Serb-Croat-Slovene State. Sir A. Chamberlain subsequently gave advice in this sense to the Serb-Croat-Slovene Minister on December 16. Sir A. Chamberlain spoke on the same general lines as his instructions to Sir R. Graham in No. 361 and repeated that British policy to Albania remained unchanged.

Mr. Phipps (Paris) to Sir A. Chamberlain (Received December 16, 8.30 a.m.)

No. 421 Telegraphic: by bag [C 13208/391/90]

PARIS, December 15, 1926

Your telegram No. 286¹ of yesterday.

2. Monsieur Berthelot, whom I saw this afternoon, again assured me that the Yugoslavs had, in consequence of French counsels of moderation, (see my telegram No. 420² of yesterday) promised not to break off relations with Albania. He told me that the Greek Minister in Paris had only today addressed a communication to the Quai d'Orsay expressing the deep concern of his government over Italy's intervention in the Balkans. Monsieur Berthelot then read me out a telegram just received from the French Ambassador at Moscow reporting an article in yesterday's 'Pravda' in which it was stated that Italy's action proved that the interests of France and Russia in the Balkans were identical. I remarked to Monsieur Berthelot that the terms of the treaty of Tirana (as given in Mr. Seeds' telegram No. 53³) seemed harmless, but he replied that it was the fact and manner of concluding the treaty rather than its terms that mattered. The treaty as it stood, moreover, coupled with Italian control over Albania's finances and public works, gave Italy a virtual protectorate over that country.

3. Monsieur Berthelot takes a very grave view of Italy's action, which he considers to be calculated to revive the Balkan League;⁴ this in its turn may, he fears, unless great care be exercised, lead to general trouble from which Germany, Hungary and Russia might well hope to benefit. He repeated to me, however, as he often does, that so long as Great Britain and France worked together all would be well. Above all they must avoid conveying the impression that Italy was backed up by the former and Yugoslavia by the latter. I assured Monsieur Berthelot that there was not the slightest danger of this in so far as His Majesty's Government were concerned, and he finally remarked that he himself felt no fear on that score, particularly in view of the satisfactory and friendly conversation which he had had with you here on your way to Geneva.⁵

¹ Not printed. This telegram instructed Lord Crewe to inform the French Government of No. 357.

² No. 358.

³ See No. 315, note 1.

⁴ Formed by Bulgaria, Greece, Montenegro, and Serbia in 1912.

⁵ No record of this conversation has been traced in Foreign Office archives.

*Mr. Phipps (Paris) to Sir A. Chamberlain (Received December 17)**No. 2397 [W 11749/27/17]**Confidential*

PARIS, December 15, 1926

Sir,

Monsieur Berthelot informed me yesterday that he thought that on the whole the danger which Monsieur Briand had run last Saturday¹ and Sunday at Geneva was more apparent than real, in spite of the somewhat strained situation as shown by several rather stormy meetings of the Council of Ministers. I fancy that Monsieur Briand, after his Cannes experience,² was in the position of a steeple-chase jockey who funks a jump at which he has previously fallen. The conditions on this occasion were, however, very different, and the deep French suspicion of Mr. Lloyd George was replaced by the implicit confidence which is felt in France for you. I enquired whether the opposition to Monsieur Briand's proceedings at Geneva had come, as seemed likely, chiefly from Monsieur Louis Marin, but Monsieur Berthelot replied that it was Monsieur Poincaré with his rigid legal mind who had raised the principal difficulties. This statement of Monsieur Berthelot must, I think, in view of his well-known antipathy for Monsieur Poincaré, be taken with a grain of salt, for from another friend of mine who is on intimate terms with the President of the Republic,³ Monsieur Poincaré and Monsieur Briand, I learn that those three statesmen are agreed on the essential principles of French foreign policy. From the same source, I hear that Monsieur Briand and Monsieur Poincaré were brought together some months ago, after a long period of estrangement, by Madame Waldeck-Rousseau, the widow of the eminent French politician, who invited them upon several occasions to meet in her house, realizing as she did that it was in the best interests of France that the differences between them should be sunk. Madame Waldeck-Rousseau was successful in her efforts for, on the 4th June last, the night of the Locarno debate in the Senate, Monsieur Poincaré arrived very late at a dinner party at which my informant was present and told him, when twitted with this unusual proceeding on his part, that he had been listening to a magnificent speech of Monsieur Briand explaining his Locarno policy, and that he had voted for him and had persuaded his friends to do likewise. That there have been differences in the past, and as recently as last week, between Monsieur Poincaré and Monsieur Briand on questions of method and procedure, I have no doubt whatever. These differences will indeed probably occur again in the future. But I earnestly hope and believe that they will not assume undue proportions or lead to a rupture of the present Ministerial combination which has shown itself to be the only one capable in

¹ December 11, 1926.² The reference was to the resignation of M. Briand as President of the French Council of Ministers in January 1922 owing to opposition in France to the proposals for an Anglo-French pact put forward at Cannes by Mr. Lloyd George: see Cmd. 2169 of 1924, *Papers respecting Negotiations for an Anglo-French Pact*, items Nos. 34-38.³ M. Gaston Doumergue.

recent years of guiding France through her difficulties by means of the renunciation of petty political details and a healthy concentration on essentials. Fear for the franc, moreover, doubtless helps to keep Monsieur Poincaré in the right path.

2. A potent factor making for the triumph of peace and reason and one which is not sufficiently realized by the general public, however, is the personality of the President of the Republic himself. Monsieur Doumergue is a man of remarkable shrewdness and sense and it is, I venture to think, a subject for warm congratulation that it is he and not, as was hoped by the Cartel of the Left, Monsieur Painlevé,⁴ who is called upon to preside over Ministerial Councils at the Elysée. Monsieur Doumergue's influence for good is not confined merely to these Councils, for like 'Vénus invisible, mais toujours présente', his influence is exercised in a variety of ways and over a variety of men.

3. The present combination in France is certainly the most favourable of any at present conceivable from the point of view of His Majesty's Government. It enables your policy of pacification to be accepted by, although it may not be very acceptable to, a considerable portion of French public opinion which would decline to swallow a pill prepared by the hands of Monsieur Briand alone, but which consents to do so when the gilt is added by those of Monsieur Poincaré. The President of the Council has always in internal politics steered a Left Centre course, through fear no doubt that any more reactionary point of the compass would eventually entail a too pronounced swing of the pendulum to the Left 'tout court'. Whatever his reasons, however, this fact causes him to be trusted by the Left, whilst his past almost Nationalist outlook on foreign affairs inspires a confidence in the Right not yet shaken by his present realisation of the fact that France having got all she wants, merely yearns for that peaceful security which will alone enable her to retain and enjoy it. We must therefore not be too impatient of Monsieur Poincaré's occasional application of the brake on the Locarno-bound Briand engine. But even Monsieur Briand does not, according to my information, wish to proceed too fast. He recently told my French friend that he well realised that, in spite of Locarno, and of the guarantee of His Majesty's Government, in spite of appeasement and of 'rapprochement', the French frontier lay open to Germany; such defences as there now were, and they were almost negligible, lay *behind* Alsace and Lorraine, whereas it was those provinces that now had to be defended against a sudden German attack, or rather against an irresistible German impulse to attack weakness—an impulse which might well not develop were that weakness converted into reasonable strength. I am not in a position to say whether any and if so what defensive measures have been taken to cover Alsace and Lorraine, but in view of Monsieur Briand's above-mentioned remarks made in confidence to a friend it seems probable that the question of the evacuation of the Rhine-

⁴ M. Painlevé has been President of the Chamber of Deputies, 1924-5 and President of the Council April-November 1925. He was Minister for War in M. Poincaré's current administration.

land will not materialize as rapidly as we might wish. Even Monsieur Léon Blum, who represents the extreme of conciliation towards Germany short of the Communists, has always told me that evacuation could only take place in the near future if a permanent international body of civilians were set up in the demilitarized zone of the Rhineland: if the Germans persist in refusing to contemplate this solution they may have to wait until the Eastern defences of France are placed in such a state as will enable her to feel that she is not exposed to some surprise attack. Monsieur Berthelot has outwardly at any rate been a consistent supporter of the main features of Monsieur Briand's Locarno policy, but only today, whilst expressing to me the hope that that policy would give time for a new and more reasonable generation to grow up in Germany he did not conceal his fear of what he described as the 'German General Staff attitude'—an attitude he had reason to believe was still very prevalent in Germany and very potent for evil. Monsieur Berthelot was not in any unreasonable mood when he said this for he paid due tribute to Herr Stresemann's moderate attitude at Geneva. 'Festina lente',⁵ however, is his motto, and that of many other Frenchmen of moderate views in so far as concerns a Franco-German 'rapprochement'. They feel that France has given notable proofs of late of her pacific intentions and that it is now Germany's turn to place something tangible on the side of the scales marked 'Peace'.⁶

I have, &c.,

ERIC PHIPPS

⁵ Hasten slowly.

⁶ On December 21 Sir A. Chamberlain minuted:

'An interesting despatch.

'(1) Monsieur Briand told me some time ago that he was directing his efforts to getting the Council of War to prepare the permanent defences and quarters for troops so as to facilitate evacuation.

'(2) From our conversations at Geneva I infer that there would be little difficulty about the establishment of a body of observers on a reciprocal basis in the Rhineland if & when we can get the French to say that they would withdraw the troops on that being done.

'(3) I agree with Monsieur Berthelot that *festina lente* must be our motto—no more Thoirys but a little sober English sense.

'I agree further that it is now for Stresemann, who is in the stronger position, to help things along. All this I said to Stresemann himself, von Schubert and another member of the German delegation and we must keep on saying it, but

'(4) we must also keep a steady gentle pressure on Paris. A. C. 21/12'

No. 361

Sir A. Chamberlain to Sir R. Lindsay (Berlin)

No. 137 Telegraphic [C 13219/436/18]

FOREIGN OFFICE, *December 16, 1926, 4.25 p.m.*

Geneva telegram No. 227¹ (of December 12th).

During the conversations at Geneva leading up to the arrangement of December 12th Doctor Stresemann contemplated submitting further pro-

¹ Not printed. This telegram gave the substance of the agreement reached on December 12 (see No. 355).

posals on the two outstanding points on the lines of giving guarantees (1) against the accumulation of stocks of potential war material etc. and (2) against the construction of offensive works on Germany's eastern frontiers.

Please urge Dr. Stresemann to submit his new proposals with as little delay as possible.

No. 362

Sir A. Chamberlain to Sir R. Graham (Rome)

No. 299 Telegraphic [C 13173/391/90]

FOREIGN OFFICE, *December 16, 1926, 6 p.m.*

Paris telegram No. 420¹ (of December 14th:—treaty of Tirana).

Conversations repeated at second hand are apt to be distorted but several points in this telegram show that there is misunderstanding somewhere as to attitude of His Majesty's Government towards treaty.

Statement attributed to M. Mussolini that His Majesty's Government entirely approved action of Italian government gives the impression that His Majesty's Government were fully informed of progress of negotiations and terms of treaty before its conclusion.² This is not the case. M. Mussolini told me at Leghorn that he was ready at any time to sign a treaty with Albania containing assurances that Italy would observe territorial and political integrity of Albania,³ but I heard nothing more of the matter until Italian Ambassador informed me on December 1st that a treaty had been signed and would shortly be published. He described treaty summarily as a guarantee of Albanian independence and pact of arbitration, a fresh proof of peaceful policy of Italian government. To this I replied that on such a treaty I had no criticism to offer. The actual terms of the treaty were not known to me till after I reached Geneva and were then read by me in the light of Mussolini's repeated declarations that he was determined to observe and maintain Albanian integrity and independence. I have never doubted his good faith and have told all enquirers that this was my personal attitude.

Secondly I can well understand irritation caused by form given to Nincic's resignation and by press comments. It is conceivable that in a moment of excusable exasperation Mussolini may have exclaimed to French Ambassador that he could not now admit accession of Serb-Croat-Slovene government to treaty or conclusion by that government of similar treaty. But as Your Excellency is aware I have consistently advised Serb-Croat-Slovene government that this is course they should follow and I have done so on strength

¹ No. 358.

² In Rome telegram No. 262 of December 17 Sir R. Graham reported that he was endeavouring to dissipate this impression. Sir A. Chamberlain subsequently stated in his despatch No. 1813 to Sir R. Graham of December 27 that 'in order to reinforce your efforts, the attention of the Italian Chargé d'Affaires has in a friendly manner been called to these misleading reports'. Sir R. Graham reported in Rome despatch No. 1106 of December 31 that Signor Grandi had referred to this representation and had 'said that the Italian Government greatly regretted that there should have been any misunderstanding as to your attitude but the fault did not lie with them'.

³ See Nos. 235 and 255.

of repeated assurances given to you that Italy would welcome such action on the part of Serb-Croat-Slovene government. A *volte-face* on part of M. Mussolini would put me in a most awkward position, and destroy whatever influence I may have been able to exercise in other quarters to persuade them to put a reasonable and friendly interpretation on Italian policy.

Please seek a favourable opportunity of speaking to M. Mussolini on above lines and repeat once again that my sole aim is to keep the peace in Balkans, which so far as I can see will best be secured by accession of Serb-Croat-Slovene government to treaty or conclusion of similar pact with Albania. My own impression is that Serb-Croat-Slovene authorities whilst genuinely alarmed and hurt by failure of Italian government for reasons explained by you to inform them earlier of what was in contemplation are now in consequence of united counsels of moderation offered by France, Great Britain and other Powers genuinely anxious to find a friendly solution but in consequence of *démenti* of Italian approval are afraid to make proposals for either adhesion or parallel pact. It would greatly assist me in my friendly efforts if I knew definitely that Mussolini would receive any overture in a conciliatory spirit, would consent to give friendly explanations in reply to friendly enquiries from Serb-Croat-Slovene side and would adhere on getting evidence of genuine desire of Serb-Croat-Slovene government for resumption of previous relations resulting from Pact of Rome to his original policy of welcoming Serb-Croat-Slovene participation or parallel Serb-Croat-Slovene treaty.

Repeated to Paris No. 287 (By Bag), Belgrade No. 87, Durazzo No. 65 and Athens No. 173.

No. 363

Memorandum by Mr. Troutbeck

[C 13126/436/18]

FOREIGN OFFICE, *December 16, 1926*

The upshot of this¹ seems to be briefly as follows:—The Germans contend that the term 'war material' can only include such articles as can be immediately used for war purposes. This the Control Commission admit to be an advance, but they are still not satisfied. Taken literally the German definition would presumably exclude machinery, tools and half-wrought material. Nevertheless the Germans have not adopted an entirely negative attitude on those points but have submitted the following proposals:—

(a) Machinery and tools for the production of war material may be imported or exported, but must not be produced or stored for home purposes.

(b) Half-wrought articles. Such half-wrought articles are to be placed on the prohibited list as have reached such a stage of manufacture that they can

¹ This memorandum was written in connexion with a note of December 11 from the War Office transmitting to the Foreign Office the text of the draft German law on war material communicated on December 3 together with comments by the Inter-Allied Military Commission of Control and by General Wauchope and related documents.

only normally be used for the production of the more important items of war material.

As regards (a), the Commission say that the German proposal would leave Germany in a position to expand her war industries immediately on the outbreak of war and to possess stocks of machinery and tools in peace time on the plea that they were required for export. In view of what Dr. Stresemann said in Geneva, it might be possible to find a compromise which would get over the latter objection, but the former (which the Control Commission consider the more important) still remains.

As regards (b), the Control Commission think the German formula insufficient and wish a sentence to be added to the effect that such articles would be prohibited which are clearly destined for the manufacture of arms, munitions and war material. The Control Commission say that without such an addition the German factories would be in a position to export such material as forge castings of fire-arms in general and of projectiles for guns, etc., in fact all half-worked material that had not reached a very advanced stage; there would therefore be nothing to prevent the German factories from expanding to such a degree as to be in a condition to turn out large quantities of war material at very short notice.

There are other points, too, on which the Control Commission are not satisfied.

(1) They wish the prohibition on principal parts to be strengthened.

(2) They wish the German government to bind themselves by a letter addressed to the Commission to limit the factories and installations that produce war material for the use of the German army to the numbers authorised by the Commission.

(3) They want the restrictions upon the production of certain chemicals to be tightened up.

(4) The German government refuse to include naval machinery in the law. The Commission of Control, being incompetent to discuss this, have referred the matter to the Ambassadors' Conference; the Admiralty think that naval boilers and naval engines ought to be included.

(5) The Control Commission also wish certain aeronautical items to be included in the law, though it seems that this point is going to be dropped.

There are certain other points made by the Control Commission which seem to be of minor importance and need not be commented on.

The whole question is so technical that it would seem preferable if the War Office could deal with it on their own and give General Clive all the necessary instructions. This has been suggested in a draft to the War Office² submitted yesterday.³

J. M. TROUTBECK

² The Foreign Office letter of December 16 to the War Office is not printed.

³ In his notes No. 78 of December 22 for the War Office, General Wauchope stated in particular on the question of war material:

'The British War Office has consistently attributed greater importance to the question of material disarmament, while the French have attached more importance to the question of

legislation limiting the powers of the Higher Command, of the Organisation of the General Staff and of Military Training inside and outside the regular army.

'Even while the Commission of Control functioned in Germany it has been found impracticable to enforce the adoption of a system in connection with these questions strictly in accordance with the terms of the Treaty of Versailles. I think you agree with me that the enforcement of such regulations, difficult under this Commission, will prove almost impossible when Control is taken over by the League of Nations. But an essential difference exists as to the control by any organ of the League of material armament.

'I do not suggest that the League will be able to interfere successfully in dealing with small infractions of the Treaty, but it is essential that the League should have the power of preventing Germany from attaining a position in which she would be able to ensure the mass production of war material at short notice.

'Even when a factory is supplied with complete models of the gun, rifle or other armament to be manufactured, it is estimated that it requires some six months to work out the various processes of manufacture of each individual part.

'But if the necessary gauges and special tools were available, and the plan of manufacture had been previously prepared, then mass production of armament could be begun with comparative rapidity.

'This naturally applies with special force to any new pattern of arm, and the League of Nations would be obliged to watch and control not only authorised but also with far greater vigilance non-authorised factories, thus adding greatly to the difficulties of its task.

'Consequently if Article 56 [cf. No. 275, enclosure, Appendix (A)] is not included in the Law, Germany will be able beforehand to prepare the means for mass production of both existing and future patterns of war material, and will thus effect a great saving of time, on mobilization, before mass production can be begun. Further, there will be in Germany, in addition to the factories authorised for the manufacture of war material, a number of workshops ready to manufacture, with but little delay, munitions and war material of German pattern.

'An increase of power in the Higher Command; an enlargement of the General Staff or Military Training of the Police are changes that are difficult to prove and almost impossible to check. On the other hand the erection of new factories and their equipment are tangible and material constructions that cannot easily be concealed, and consequently their control by the League of Nations should be possible.

'If the German text of this draft Law is accepted, there will be no legal grounds to prevent the erection of such factories, except Article 178 of the Treaty of Versailles, and action by the League of Nations under this Article would be very difficult.

'Consequently if Item 56 of the draft Law is not accepted, I think there will be nothing to prevent Germany from so equipping her factories as to be able to produce large quantities of war material at very short notice. This is not only contrary in spirit and letter to the Treaty of Versailles, but it would greatly add to the power of rapid mobilization in Germany. . . .

'But if our demands as regards Item 56 are insisted on, I see no reason why the organ of the League of Nations should not be able to prevent the execution of the preparations necessary for the rapid production of war material.

'The German contention that the question is purely an industrial question cannot be maintained. The manufacture of such tools, gauges, &c., affects but a small number of German industrialists, and only a small proportion of foreign orders that these industrialists may obtain. But as a military question by which the potential armed strength of Germany may be immensely and rapidly increased, I think its importance can hardly be over-estimated.

'Article 57 of the original Commission List deals with half worked items of war material which fall roughly into two main groups: rifles, pistols, ammunition, &c., and other arms, such as guns and tanks.

'In my opinion, a concession might be made as to the export of half worked parts of rifles, pistols and their ammunition, but it is essential to maintain the Commission's text of this Article for other items.

'In this connection certain considerations may be of interest. It is generally accepted in Germany, as well as in England, though not in France, that Germany has now been so thoroughly disarmed that she could not make war if she desired to do so. It is a view in which to some extent I share, and believe it to be honestly held by Dr. Stresemann and many political leaders in Germany. What views the Higher Command of the German army hold, I am not in a position to state, but I am able to state that this view is not held by many officers in the Germany army.

'No foreigners are more closely in touch with the officers of the German army than are two of the American Military Attachés in Berlin. They have both informed me most emphatically that after constant meetings, discussions and attendances at manoeuvres and in camps of exercise, they are convinced that the great bulk of German officers believe that in a very few years they could wage a successful war against France. The first stage of such a war would necessitate a retirement, certainly to the East of the Ruhr and perhaps further, but they argue that final success would come to Germany, thanks to the National spirit of her people, capacity for endurance, the possibility of drawing armament from foreign Powers, such as Tschechoslovakei and Sweden, and also to the inability of the present French army or French nation to carry on a war that might last for several years.

'Although I do not share this view, I believe the date when Germany would feel herself capable of waging war will be brought very much nearer if she is enabled to create factories fully equipped to produce war material at short notice, which the German draft Law on the Export and Import of War Material will in the future enable her to do.

'A swan is allowed his death song, so even a goose may hiss a final warning. Not only you, Sir, but the Germans themselves have said that I have ever tried to find means of compromise, and I realise that since Germany has happily joined the League, only in a few matters is it either advisable, practicable or right to enforce control.

'Of these few, the control of special tools for the manufacture of articles "*destinés aux buts de guerre*" I believe to be among the most important, practicable and legitimate.'

In transmitting these notes to the Foreign Office the Director of Military Operations and Intelligence pointed out that General Wauchope's views were in conformity with those already expressed by the War Office.

No. 364

Sir R. Lindsay (Berlin) to Sir A. Chamberlain (Received December 19, 9 a.m.)

No. 323 Telegraphic [C 13289/436/18]

BERLIN, *December 18, 1926, 7 p.m.*

Your telegram No. 137.¹

Secretary of State informs me that Foerster and Pawelsz were recalled from Paris expressly to study these two points. The former is returning to Paris at once to complete arrangements about other control questions which have been settled and Secretary of State hopes he may be able at the same time to formulate at any rate preliminary ideas about fortresses and war material.

¹ No. 361.

Sir R. Lindsay (Berlin) to Sir A. Chamberlain (Received December 21)

No. 841 [C 13402/482/18]

BERLIN, December 18, 1926

Sir,

The question of the military character of the activities of the German associations has now ceased to be of immediate interest. But in as much as by its very nature it is in reality a question of the future, speculation as to proximate or distant developments is of the very essence of the problem. Every thought can assist, if only in a negative manner, towards the formation of an opinion which can serve as a guide for future conduct, and it is for this reason that I venture to put on record some considerations of a fragmentary nature in the hope that they may not be entirely useless.

2. It is clear in the first place that the ex-allied Powers entertain and can entertain no objection to the mere fact that associations exist in this country. Their only fear, which is not unreasonable, is that these associations will in time develop into military organisations possessing such power and equipment as practically to constitute a formidable weapon of war. In support of this thesis the most valid argument which can be produced is that which is based on the psychological factor, namely that the German character will remain true to type, that the German has always been and will always be a warrior first and foremost, and that all associations of Germans, to whatever end assembled, will in the long run acquire a disciplined character leading to military and warlike ambitions. There is, I confess, much to be said for this argument. It is correct that the German, when collected in a crowd of more than one, acquires by association a combative nature. It is an obvious historical fact that he has fought, whether willingly or not, perpetually for the last two thousand years. It is also true that his fighting instinct has led him to take part in disputes which did not affect his immediate interests, and that for several hundreds of years he was a convenient mercenary in the armies of non-German Powers. Finally, it cannot be denied that, however amiable singly, he becomes peculiarly aggressive in combination with others, and that he cannot conceive of co-operation except as directed against something or somebody. When to these overriding factors is added the depressing consideration, patent to any resident here, that the majority in this country considers, not that the war should not have occurred (leaving aside the question of responsibility for it), but merely that it is irritating and foolish that the war should have been lost, it would seem that the case is complete, and that the verdict must inevitably be in favour of those who maintain that 'the power of the associations has increased, is increasing and ought to be diminished'.¹

3. I do not wish to underestimate the value of this argument and I therefore mention it in the first place, although it has so often been stressed in

¹ Cf. Dunning's Resolution, carried in the House of Commons in April 1780, 'that the influence of the Crown has increased, is increasing, and ought to be diminished'.

despatches from my predecessor that I could assume that it might be taken as read. My main object is not, however, to re-state the obvious, but to point to some features which are of a more encouraging nature and which, it is possible, might be overlooked in considering more immediate prospects than those disclosed by a philosophical dissertation on national characteristics.

4. The first thought which occurs to me in this connection is that in the countries allied against Germany in the last war, and particularly in France, the opinion would appear to predominate that the numerous associations existing in this country were founded with the express intention of preparing for a war of revenge, that they owe their existence to no other object and would cease to have any meaning, in fact would be dissolved, if by some magical process the full requirements of this country could be satisfied to-morrow. This opinion is not merely based on the facts of the case. It also owes much of its strength to historical analogy.

5. Now although a certain acquaintance with past events is a necessary pre-requisite of a proper estimate of the present and is very often the surest ground on which to base a forecast of the future, the deductions drawn from history are too often hastily formed and generally take into account neither the conditions obtaining at the time when the events on which reliance is placed occurred, nor the alterations of every kind which have come into being since that date. But the would-be critic who bases his forecast on the historical method is not content to draw his conclusions from the past history of the particular nation to which his conclusions are meant to refer. He often goes further afield and strains his analogy to include foreign examples. Thus reference is constantly made to the Russian revolution as if it could usefully be compared with the French Revolution, as if Kerensky² were a sort of Mirabeau,³ the 'Präsidium' of the Soviet Government a committee of Public Safety⁴ on a fiercer scale and the flabby Russia of 1917 a larger example of the patriotic and (more or less) unified France of 1793. Such an attempt to put all national movements and upheavals into the same strait waistcoat is contrary to fact and repugnant to the critical sense and, without going into detailed arguments in support of my opinion it appears to me that those who seek to find a close relation between what has occurred and is occurring in Germany since 1918 and what occurred in Prussia between 1806 and 1813 are simply ignoring that present day Germany is not Prussia of that date, that Dr Stresemann is not 'Herr von [vom] und zum Stein', that General von Seeckt (or General Heye) is not Scharnhorst,⁵ that the France of Marshal

² Cf. No. 218, note 4.

³ The Comte de Mirabeau (1749-91) was a leading personality in the first years of the French revolution.

⁴ The revolutionary committee which held power in France 1793-5.

⁵ Baron vom und zum Stein (1757-1831) was leading minister of King Frederick William III of Prussia 1807-8. General von Scharnhorst (1755-1813) was appointed Director of the Prussian War Department and Chief of General Staff in 1807. Following the peace of Tilsit in 1807 the Prussian Army was limited by the Emperor Napoleon to 42,000 men. To thwart this limitation General von Scharnhorst introduced the 'Krümper' system of short-service enlistment, thus building up a trained reserve for the Prussian army.

Foch is not the France of Napoleon, that the warfare of Napoleonic times is not the warfare of the present day and that, since all these analogies are misleading, it follows that it may be equally wrong to assume that the present day associations constitute merely a revival or repetition of the 'Krümper' system.

6. In the first place, so far as their origin is concerned, I think it will be clear from the enclosures to my despatch No. 820⁶ of the 6th instant that the associations owe their existence to no such conscious imitation of the past. If man, according to Aristotle, is a political animal, it can with even more truth be said that the German is a collective animal. He can conceive of no shape of activity except in company with someone else. He has always belonged to some form of co-operative association. Before the war these associations, beginning with the military forces, were organised for him. All he had to do,—or was compelled to do,—was to join them and think imperially. It is not surprising that as soon as he had recovered from the shock and surprise of the armistice, he should have had recourse, in his troubles, to the best method known to him for overcoming them.

7. A compact account of the main features of the historical development of the associations and of their fluctuating ambitions and efforts will be found in Appendix 'C' to my despatch under reference. The only feature to which I desire to draw attention is that the associations primarily came into being not with the object of organising resistance to the Allies in the more or less distant future, but for the purpose of grouping together in defence of law and order. It has often been remarked that the revolution in Germany was a tame affair when compared with other revolutions, and that the revolutionaries in their wildest excesses never destroyed a public monument (which is a pity so far as most of the public monuments in Berlin are concerned) and above all never walked over a grass plot, which was, and still is, 'polizeilich verboten'.⁷ But however humorous in some of its aspects, the revolution was a serious movement and might easily have resulted in a period of anarchy. That its course was deflected into orderly channels, and that a constitutional change never became a national chaos, is largely due to the existence of these organised bodies, which intervened at once energetically, and crushed with a severity bordering on cruelty all attempts to lead the revolutionary movement further than was implied by an alteration in the form of Government.

8. Since repression naturally leads to reaction, the associations which had repressed next directed their thoughts to a return to the immediate past. In their half-hearted endeavours to this end they were both assisted and thwarted by two factors, (1) the unfortunate economic conditions, and (2) the pressure applied to Germany by foreign powers. In a positive sense these two factors worked in the direction of increasing discontent and thereby the contempt for the existing form of Government. In a negative sense on the other hand the economic distress and pressure by the ex-Allies robbed a population weary of strife of the necessary energy, and served as a constant reminder of the futility of any attempt to disturb present conditions, an

⁶ No. 325.

⁷ Contrary to police regulations.

attempt which could only have led to increased foreign pressure and consequently to increased economic distress. Thus the Republic was saved by the fact that there was nothing else which could be put in its place, and it has continued to thrive on this very sparse diet until it would now seem to have overcome its growing-pains and to be fairly on the way to manhood. In any case the longer the republic exists the longer it is likely to last.

9. The object of this despatch is merely to treat in broad outline of the activities of the associations, and above all to show that active preparation for a war of revenge and, as a preliminary, the formation of a semi-trained reserve, was neither the primary cause of the movement nor its subsequent immediate aim.

10. I do not, therefore, mention many subsidiary causes, such, for instance, as the formation of the republican 'Reichsbanner Schwarz-Rot-Gold' which counteracted the plots and counterplots of the anti-republican bodies. But since I have been brought, by the very nature of the argument, to treat of the question of the maintenance of the Republican constitution, I may be permitted to introduce a slight digression from the main topic.

11. Two further events have occurred which render the restoration of monarchical government more remote if not extremely unlikely, (1) the election of Field Marshal von Hindenburg to be President of the Republic and (2) the financial settlement of Prussia with the Hohenzollerns.

12. It is of course clear that the electorate which voted for the Field Marshal, although actuated, as in every election, by a variety of motives, desired mainly to register a protest against the existing régime, and it is a curious irony of fate that nothing should have reacted so much to the advantage of the republican constitution as the elevation of the Field Marshal to the position which he now occupies. At the time of his election it was pointed out from this Embassy that he would attempt nothing of a subversive nature. But he has done more. The mere fact of his presence in the Presidential Palace confers a sense of dignity which deprives the monarchists of power of criticism. He has in fact made the Republic 'hoffähig',⁸ and has consequently assisted the republican cause to a greater extent than the most advanced leader of advanced thought.

13. Frequent references have been made in the despatches of my predecessor to the fact that the cause of monarchical government in Germany suffers from the peculiar unpopularity which attaches to the Prussian Royal House. So far as any general statement is true, it may be said that the majority of the German States would welcome a return to a monarchical status. The local sovereign, on the whole, was popular, decorations were plentiful, the court of the sovereign lent a grace and dignity to the capital, the absence of which is hard to bear and gave a stimulus to local trade, the loss of which is a source of discontent. Unfortunately for these princes their cause is inevitably associated in the public mind with the presence of a Hohenzollern on the double throne. In Germany, outside Prussia, the ex-Emperor and his family are frankly disliked. In Prussia itself they are largely

⁸ Presentable.

despised, with the exception of the Crown Princess. I do not mean that there is not a substantial proportion of the Prussian people which would not be willing to see even the ex-Emperor re-enter his capital. But it appears to me to be the majority in Prussia who consider Wilhelm II to be impossible because he ran away, instead of facing his troubles like a man, and his sons and other male members of his family as equally impossible because of a variety of reasons which it is here not necessary to enumerate.

14. Notwithstanding this general feeling the monarchical instincts of the Prussian people were strong and might have become stronger had there been no public controversy over the question of the property of the ex-reigning house. As has been indicated in previous despatches the legal merits of the case have no bearing on the matter, and strict logic is equally inappropriate. Clearly the ex-reigning family is entitled to private property of which no German can legally be deprived, nor is there any foundation in logic or basis in law for the argument that this property should fall to the State because a substantial portion of the population has lost certain investments and bank balances owing to inflation. But popular opinion travels a different road. There was a considerable amount of sentiment connected with the exile of the once all powerful monarch based largely on the supposition that he was suffering in silence and dignity and was living in comparatively modest circumstances. It came as a shock to the average man and woman in this country to discover that this exile was engaged in a legal squabble, like any ordinary individual, that so far from suffering in silence, he was claiming vast sums from an impoverished country which he had led to disaster and had deserted in distress and that, as the final outcome of this undignified controversy, he and his family were to receive an enormous cash payment and to remain in possession of vast properties. During the public discussion of the question the revulsion of feeling was clearly shown in the plebiscite, in which the Hohenzollerns were only saved by the popular vote in the States other than Prussia. The compromise which has now been reached, while removing the question finally from the field of controversies, has also finally deprived the Hohenzollerns of the glamour of martyrdom. The case has been 'settled out of court' on terms which are popularly supposed to be very favourable to the plaintiff. The defendant owes the plaintiff no more and can dismiss the costly matter from his mind. It does not require any peculiar insight in order to arrive at the opinion that such a state of affairs damages the cause of monarchy to such an extent as to place a restoration outside the realm of practical politics for the present except as the result of some totally improbable event.

15. Since there was no revolutionary movement to arrest and inasmuch as counter-revolutionary activities appeared to be devoid of any reasonable chance of success, the Associations (and under this term I naturally mean to include only the so-called 'patriotic' Associations) made a brief incursion into the field of foreign policy. Here they are rapidly defeated by the mere logic of events and it is fortunate for them that, just at the moment when the bankruptcy of successive lines of action and the depletion of funds might

have compelled some of them to file their petition,⁹ they should have been able to gain renewed strength by turning to physical culture as their main object. Athletics and all forms of exercise tending to the development of physical strength are, of course, a feature of all the associations but, whereas the 'Roter Frontkämpferbund' and the 'Reichsbanner Schwarz-Rot-Gold' still have, each of them, a definite political object the 'patriotic' associations would seem at the present time to be able publicly to proclaim no other end than the physical wellbeing of their members. The question as to whether this latest phase is but a cloak which covers more ambitious aims is one to which no satisfactory and categorical reply can be returned. The truth, as always, lies half way between the extremes, and, in attempting to discern it, we drift once more into the region of philosophic speculation. I think it must be taken as an undoubted fact that there is a genuine wave of enthusiasm for physical sports in this country and that such enthusiasm is largely independent of any political considerations. The German always seeks to find some basis for his actions other than the obvious one that he finds pleasure in what he does. As one so often hears in this country 'alles muss einen Grund haben'.¹⁰ Physical culture in all its forms is explained and advocated as necessary, in the light of modern science, to the maintenance and development of a healthy race. Abroad it is often considered to be a mere excuse for a system which shall enable the German, at the appropriate moment, to be proper food for powder, but I doubt whether such a view is a complete and correct explanation.

16. It does not appear to me to be correct to say that it is a mere cover for military preparation, but rather that it is a genuine movement, amounting almost to a religious mania which is based on the obvious fact that physical culture is good in itself but which also owes much of its success to the exhortations of experts who supply the necessary philosophic motive by their insistence, by the written and spoken word, on the necessity of maintaining and propagating a healthy race.

17. If the views adumbrated above be correct it follows that the problem of the activities of the patriotic associations is not capable of any simple solution, based on the theory that they are primarily intended to form an army reserve. Such was not the original intention and such is not the avowed aim. That they might develop into semi-military organisations is, of course obvious and, given the German character, possible. I am clearly not competent to deal with the purely military question as to the value, in case of war, of such semi-militarised bodies of men, but one argument might perhaps be put forward even by a layman. Clearly a war on a large scale under modern conditions demands an amount of training, a production of suitable material and an accumulation of equipment which are quite beyond the efforts of private bodies and which each and all presuppose a financial and organising power belonging to the Government alone. In short the German Government would have to be a party to the conspiracy, even if only to the extent of allowing a proper amount of secret training to take place under

⁹ Of bankruptcy.

¹⁰ There must be a reason for everything.

the supervision of the German military authorities. But anything beyond the most limited amount of connivance would at once become known, especially in a country like Germany where each man is a spy on his neighbour. Now should the German Government turn their backs on the policy which they have deliberately adopted—should the moment come when they openly would renounce all that is implied by Locarno, then there could be one remedy and one remedy only,—an ultimatum followed, if necessary, by the use of force. In short the danger would become apparent and the proper measures to dissipate it could be taken long before it had assumed such dimensions as to render the result of warlike measures a matter of speculation.

18. In the course of the above necessarily disjointed remarks I have attempted merely to show that the patriotic associations were not originally founded with a view to the preparation of a war of revenge, that, so far as political objects are concerned, their purpose has mainly been to interfere in internal questions, that certain minor events, over and above the main tendencies, have operated in the direction of consolidating the present régime and have consequently diminished their political importance, and that their present avowed aim of promoting physical culture is not a mere cloak for more ambitious designs, but has a certain amount of reality as a foundation. I have also ventured to suggest that, while not ignoring the psychological factor of hereditary tendency, a serious preparation for war,—such as to cause legitimate apprehension,—could only take place under the direct guidance and with the active assistance of the German Government. If these statements and deductions be correct it would seem that the only possible course is that which has been adopted, namely to secure a promise from the German Government that they will observe the clear stipulations of the Treaty of Versailles on this point and otherwise to trust that future events will be such as to lead that Government to understand that it is to the interests of Germany that this promise be kept.¹¹

I have, &c.,
R. C. LINDSAY

¹¹ H.M. King George V minuted this document as 'a very interesting despatch'. Sir A. Chamberlain's thanks were conveyed to Sir R. Lindsay in his despatch No. 1676 of December 28, which stated that the question of the political, social, and military significance of the German associations could not have been 'more thoroughly and convincingly analysed'.

No. 366

Mr. Roberts¹ (Warsaw) to Sir A. Chamberlain (Received December 28)
No. 668 [C 13585/436/18]

WARSAW, December 20, 1926

Sir,

I have the honour to report, with reference to my despatch no 662² of 20th December, that on his return from Geneva M. Zaleski gave an interview to

¹ Second Secretary in H.M. Legation at Warsaw.

² Not printed.

representatives of the press, in the course of which His Excellency declared that he regarded the present situation with optimism, and that the Government would follow with the greatest closeness all developments bearing on Polish security, to which they attributed the greatest importance. After describing the procedure whereby the actual decisions regarding control were taken outside the Council, while in the deliberations of that body only matters of less interest to Poland were discussed, he paid a tribute to the loyal attitude adopted towards the Polish delegation by you, Sir, and by M. Briand. In reply to a journalist's question M. Zaleski declared that the Franco-Polish alliance was still as strong as ever.

2. I took an opportunity to ask His Excellency to be good enough to impart to me his impressions of his visit to Geneva. After a moment's thought M. Zaleski said that he personally considered that the solution reached in the matter of military control in Germany was in itself not a bad one. He was, however, far from satisfied with the labours of the Council of the League, which, he said, had achieved practically nothing, adjourning some matters to its next session and referring others to committees. He could not either consider wholly satisfactory the system by which the principal decisions had been reached by the western powers acting alone; it had formerly been the custom to speak of the 'principal allied and associated powers' and now at Geneva the protagonists were the 'signatories of the principal Locarno treaty', so that the word 'principal' was invariably included in one form or another. This had (as I have had the honour to explain in the first paragraph of my despatch under reference) revived the uneasiness felt by Poland in respect of the differentiation between the western and eastern frontiers of Germany. He had naturally not spoken in this manner to the press, whose exaggerated apprehensions he had on the contrary attempted to tranquillise; moreover he did not wish to make any complaint, but I had asked for his impressions and he had given them to me.

I have, &c.,

PATRICK ROBERTS

No. 367

The Marquess of Crewe (Paris) to Sir A. Chamberlain
(Received December 22)

No. 2440 [C 13420/436/18]

PARIS, December 21, 1926

His Majesty's Representative at Paris presents his compliments to the Secretary of State for Foreign Affairs, and has the honour to transmit herewith, copy of the under-mentioned paper *for favour of observations*.

Name and Date

Subject

From:

Ambassadors' Conference 20th
December 1926.

Disarmament of Germany.

ENCLOSURE 1 IN NO. 367

Note: Désarmement de l'Allemagne

Copie

le 20 décembre 1926

M. Förster, arrivé ce matin de Berlin, est venu entretenir le Secrétaire Général de la Conférence des questions qui restent maintenant à régler:

1^o) M. Förster a tenu d'abord à déclarer que le Gouvernement allemand avait la ferme intention d'aboutir à un accord avec la Conférence avant le 31 Janvier et qu'il considérerait comme très regrettable que l'affaire ne pût être réglée par la Conférence et la Commission de Contrôle.

2^o) En ce qui concerne le matériel de guerre, il semble à M. Förster que la parole est actuellement à la Conférence qui n'a pas encore fait connaître son sentiment sur les dernières propositions allemandes.

M. Massigli lui a répondu que le rapport du Comité Militaire sera vraisemblablement déposé après-demain et que la négociation pourra dès lors s'engager.

3^o) En ce qui concerne Koenigsberg, M. Förster a d'abord remis le document ci-joint qui constitue l'exposé du point de vue juridique allemand en réponse à la note du Comité de Rédaction.¹ Il s'est ensuite empressé de déclarer qu'il ne fallait pas considérer que le Gouvernement allemand s'en tenait à cette déclaration. Faisant allusion à des idées qui ont été exprimées à Genève sur la possibilité de faire un choix entre ouvrages 'offensifs' et ouvrages 'défensifs' et faisant d'ailleurs des réserves sur la signification de ces termes appliqués à des ouvrages de fortifications, M. Förster a indiqué des possibilités de négociation dans le sens suivant:

Il y aurait lieu de distinguer entre les ouvrages qui ne feraient que remplacer des ouvrages antérieurement existants ou compléter une ligne antérieurement existante et ceux qui constitueraient vraiment des ouvrages nouveaux parce que construits sur des lignes nouvelles.

M. Förster souhaiterait savoir si, dans ce sens, une entente est possible. Si la réponse est affirmative, comme il l'espère, le Général von Pawelsz viendrait à Paris au lendemain du jour de l'an pour apporter des propositions étudiées dans ce sens.

M. Massigli a communiqué au Délégué allemand les projets de lettres préparés concernant les Associations et les Incorporations illégales,² tout en lui disant que ces textes ne pouvaient être considérés comme définitifs, en l'absence de l'approbation des différentes Délégations. Dans l'ensemble, M. Förster n'a présenté aucune objection et soumettra demain les projets de lettres par lesquels l'Ambassadeur d'Allemagne répondra à ces communications.

ENCLOSURE 2 IN NO. 367

Réponse à la Note du Comité de Rédaction en date du 1er Décembre 1926

Copie

La conclusion à laquelle s'arrête la note du Comité de Rédaction au sujet des fortifications allemandes à Königsberg et à l'est de l'Allemagne serait

¹ See No. 313, enclosure 1.

² Cf. No. 434, note 1, and No. 435, note 1.

peut-être justifiée si l'article 180 alinéa 4 du Traité³ stipulait de conserver dans leur état actuel les ouvrages fortifiés. Le texte porte cependant que le *système* de ces ouvrages doit être conservé dans son état actuel. On ne saurait donc en déduire qu'aucune modification de quelque nature qu'elle soit, ne puisse être apportée à l'un ou à l'autre de ces ouvrages, qu'aucune nouvelle construction ne puisse y être ajoutée ni qu'un ouvrage remplaçant un ouvrage disparu doive être dans tous ses détails identiques avec ce dernier. Ce qui importe, c'est uniquement que le système des ouvrages, c'est-à-dire le caractère de l'ensemble des fortifications protégeant les frontières ne soit pas modifié.

Le Gouvernement allemand est d'avis que cette interprétation seule répond au principe du droit des gens dont se réclame la note du Comité et qui exige que toute clause d'un traité doive être comprise de façon à présenter un sens, et un sens raisonnable. En effet, si l'on voulait interpréter l'article 180 de la manière adoptée par la note du Comité, les fortifications en question risqueraient de perdre sous peu toute valeur militaire et de ne présenter plus que l'intérêt d'un objet de musée historique. Tel n'est évidemment pas le but de la disposition. Elle veut au contraire laisser à l'Allemagne la protection que lui assuraient au moment de la conclusion du Traité, les fortifications existantes et ceci non seulement pour quelques années, mais sans limite de temps.

Il est exact que dans la pratique on peut imaginer des cas où l'on pourrait douter si une construction déterminée est compatible avec le système. Il serait donc utile de tâcher de préciser les règles dont on devra s'inspirer dans l'application de l'article 180, mais en tout cas il est certain que cet article n'établit pas le principe de conserver d'une manière inaltérable et, pour ainsi dire, fixer en leur état primitif les ouvrages existant en 1920.

En ce qui concerne l'article 196 du Traité, il suffit de souligner le fait que cet article se trouve dans la section intitulée 'clauses navales' et que les ouvrages à Königsberg dont il s'agit servent exclusivement à la défense de la place contre une attaque par des forces terrestres.

³ The Treaty of Versailles.

No. 368

Note from M. Briand (Paris) to Herr von Hoesch¹

No. 218 [C 102/11/18]

Copie

Conférence des Ambassadeurs

Le Président

PARIS, le 21 Décembre 1926

Monsieur l'Ambassadeur,

Comme suite aux négociations poursuivies au sujet des effectifs de la Police allemande entre les Gouvernements représentés à la Conférence des Ambassa-

¹ A copy of this note was received in the Foreign Office on January 4, 1927, under cover of Paris despatch No. 4 of January 3 (not preserved in Foreign Office archives).

deurs, d'une part, et le Gouvernement allemand, d'autre part, j'ai l'honneur de confirmer à Votre Excellence que la Conférence est d'accord pour que la question soit réglée dans les conditions suivantes:

1^o— Les effectifs de la police allemande, police d'état et police communale, et toutes catégories de personnel comprises (Direction, Bureaux, Services, agents en civil et en uniforme) s'élèveront en Allemagne, tous les territoires rhénans compris à 140.000 hommes dont 105.000 policiers d'état et 35.000 policiers communaux.

2^o— Les effectifs de ces diverses catégories de personnel devront figurer au budget des Etats ou des communes.

3^o— Les 15.000 gardes-champêtres et veilleurs de nuit qui, à la Conférence de Boulogne avaient été compris dans l'effectif de 150.000 hommes concédé à la police allemande, ne seront plus comptés dans les effectifs de la police et seront soumis aux dispositions du 1^{er} alinéa de l'Article 162 du Traité.²

4^o— L'arrangement ci-dessus n'est consenti que sous la condition expresse que le Gouvernement allemand mettra en vigueur, s'il en est besoin, et, en tout cas, assurera la mise en vigueur par les Etats des mesures, législatives ou autres, concernant l'organisation de la police prévues dans la Note du 4 Juin 1925 et dans les Accords de Paris du 16 Novembre de la même année, étant entendu que, avant que ces mesures ne soient prises, le Gouvernement allemand s'assurera en temps utile qu'elles ne soulèvent pas d'objections de la Commission Militaire Interalliée de Contrôle, ou de la part des Gouvernements alliés pour celles de ces mesures reconnues nécessaires par la Commission de Contrôle, et qui n'auraient pu lui être communiquées avant son départ.

Le Gouvernement allemand se mettra d'accord avec la Commission de Contrôle sur le délai dans lequel les différentes mesures ci-dessus visées devront être prises.

La Conférence des Ambassadeurs serait obligée à Votre Excellence de lui confirmer l'accord du Gouvernement allemand sur ces différents points.³

Veillez agréer, Monsieur l'Ambassadeur, les assurances de ma très haute considération.

BRIAND

² The Treaty of Versailles.

³ Herr von Hoesch's reply of December 23 stated that 'le Gouvernement allemand se déclare d'accord avec la fixation des effectifs de la Police en Allemagne précisée dans la susdite lettre, sous les conditions y mentionnées'.

Sir A. Chamberlain to Mr. Phipps (Paris)

No. 3525 [C 13395/436/18]

FOREIGN OFFICE, *December 22, 1926*

Sir,

With reference to your despatch No. 2401¹ (27/328/1926) of the 16th December relative to the outstanding points of German disarmament, I concur in the method proposed of regularising the agreements reached between the Ambassadors' Conference and the German authorities regarding the questions of police, illegal enlistments and associations.

2. As regards the eastern fortifications, the first step must clearly be for the German Government to submit fresh proposals on this question in accordance with the arrangement reached at Geneva, and Sir Ronald Lindsay has already been instructed (see my telegram to Berlin No. 137² of the 16th December) to urge Dr. Stresemann to take action in that sense with as little delay as possible.

3. As regards war material, it seems preferable that the discussions of this question should be continued in Paris, and that arrangements should be made for the attendance of qualified experts from the control commission. It might further be well to remind Dr. Förster that, according to the arrangement made at Geneva, it is now for the German Government to submit proposals for preventing the accumulation of special tools etc.

4. In this connection I transmit to Y[our] E[xcellency] herewith a copy of a letter from the W[ar] O[ffice]³ regarding the various questions now under consideration relative to the winding up of military control. You will observe that The Army Council are doubtful whether any useful purpose would be served by attaching experts to the various Embassies in Berlin after the withdrawal of the Control Comⁿ. and feel that it would be preferable to make the services of such experts available in Paris. Although General Clive is to bring this matter before the Versailles Committee, I shall be glad if you will also inform the French govt. of the views of the British military authorities on this point, so as to give the French no possible grounds for feeling aggrieved.

[I am, &c.]

(For the Secretary of State),⁴

¹ Not printed. This despatch transmitted a note of December 14 by M. Massigli of a conversation with Dr. Forster, who agreed that M. Massigli should draft exchanges of letters regarding the German police, illegal enlistments and associations. The future conduct of negotiations regarding war material and fortifications was also mentioned.

² No. 361.

³ This letter of December 20 is not printed.

⁴ Signature lacking from filed copy.

Memorandum by Mr. Sargent

[C 13320/391/90]

FOREIGN OFFICE, *December 22, 1926*

Mr. Seeds spoke very well¹ but judging from this and other reports which we have been receiving (including Mr. Seeds' recent conversation with Achmed)² we must, I think, face the fact that, whatever we say, public opinion in the Balkans is definitely committed to the view that H.M.G., for some reason or other, have decided to disinterest themselves in regard to Albania & not stand in the way of Italian penetration. The change from the paternal attitude of Sir H. Eyres to that of a more or less detached onlooker which Mr. Seeds has rightly adopted, is adduced as clear evidence of this change of policy. If in these circumstances the Italian Govt. were now, on top of the Treaty of Tirana, to make any move which could be interpreted as the beginning of an aggressive policy in Albania or the Balkans generally, it might very easily give the Yugoslav Government a chance to exploit the general suspicion of Italian policy in such a way as to bring about the constitution of a definite anti-Italian Balkan bloc. M. Berthelot has already foreseen the possibility of a development on these lines.³

Such a bloc might in some ways have a salutary effect in eliminating the various causes of friction which exist between the Balkan States; but its disadvantages would be much more obvious. Yugoslavia thus strengthened would be tempted to adopt an uncompromising and truculent attitude towards Italy, and the prospect of a peaceful solution of the Albanian problem would be hardly improved by a forward policy on the part of Belgrade.

We shall be better able to judge how matters are likely to develop when the new Yugoslav government is formed, and we know the policy which it proposes to adopt, but in the meanwhile it is important that Sir R. Graham should study closely the feelings and tendencies in Italian official circles, so that we may not be taken unawares by some fresh move by the Italian Government, and also that we may not lose the first favourable opportunity of steering M. Mussolini in the direction of an agreement with Yugoslavia which will reassure her as regards Albania, and prevent the new government from embarking upon a definitely anti-Italian policy. In order to attain this end it might become necessary for H.M.G. to play a more direct part than we should ordinarily be inclined to play in an Albanian question. In that case we shall have to decide whether the danger which might result from leaving Italy and Yugoslavia face to face and unable to come to terms is sufficiently great to justify our adopting the rôle of intermediary, to the

¹ This memorandum was written in connexion with Durazzo despatch No. 202 of November 25. Mr. Seeds there recorded that he had rebutted strongly an assertion by the Greek Chargé d'Affaires that the policy of His Majesty's Government to Albania had undergone a change.

² See No. 315.

³ See No. 359.

extent even, perhaps, of finding ourselves in the position of guarantors in some Adriatic pact on the Locarno model.⁴

Another development which cannot be entirely excluded is that when the Italian Government communicates the Treaty of Tirana to the League, the Yugoslav and perhaps also the French Government may endeavour to use the occasion as a means of bringing the whole Albanian problem before the Council. I feel sure that nothing but harm could result from such a policy and that we should, in the interests of the League if nothing else, do our utmost to prevent it.⁵

O. G. SARGENT

⁴ In Belgrade telegram No. 168 of December 19 (received that day in corrupt form), Mr. Kennard had referred to possible remedies for the tense relations between Italy and the Serb-Croat-Slovene State, and had suggested that the 'real remedy would seem to lie in conclusion of an entirely new tripartite pact, to which Greece also might perhaps adhere, and which would, as suggested in my telegrams Nos. 151 and 152 [No. 321], be so worded as to lead all concerned not only to respect integrity of Albania, but to control Albanian refugees in respective territories. . . . While therefore I fully realise reluctance of His Majesty's Government to take a prominent part in this crisis which may appear to be one for settlement between Rome and Belgrade, I venture to suggest that unless some advice be offered from a disinterested quarter which may induce all concerned to reach an understanding which is more likely to be of a lasting and profitable nature, mutual mistrust felt here and in Rome will only be prolonged until some further crisis arises in Albania which may produce state of affairs which will be of grave moment for the peace of the Balkans and South-East Europe generally.'

⁵ Sir A. Chamberlain commented in a minute of December 23: 'The British guarantee suggested as a possible solution by Mr. Sargent is outside the range of practical politics, & a British S/S must cut his coat according to his cloth. There might be advantage in a rather more active policy. I have this in mind & am watching developments, but I must not get involved in quarrels where British public opinion will not follow the Gov^t or allow them to carry their policy to a conclusion.'

Sir W. Tyrrell subsequently minuted on January 10, 1927, in connexion with a proposal that ships of the Royal Navy should visit Albania: 'I quite agree that we are not going to allow M. Mussolini to exclude our fleet from the Adriatic & for this purpose we must watch for an opportunity in which a visit would be useful, but I am equally certain that this is not the moment. As a general proposition I should like to say that it would be a mistake for us to quarrel with Italy over Albania, if we are going to quarrel at all.' Sir A. Chamberlain agreed.

No. 371

Sir A. Chamberlain to the Marquess of Crewe (Paris)

No. 3547 [C 13420/436/18]

FOREIGN OFFICE, *December 23, 1926*

My Lord Marquess,

I have received your despatch No. 2440¹ of the 21st December enclosing copy of a record of conversation between Monsieur Massigli and Dr. Forster relative to the outstanding points of German disarmament.

2. As regards war material I understand that the Ambassadors' Conference will shortly be discussing a report by the Versailles Committee regarding the German draft law which was submitted to the Control Com-

¹ No. 367.

mission on the 3rd December. So soon as the Conference has considered the Versailles Committee's report, it will doubtless be desirable to invite the German representatives without delay to a further discussion of the question and at the same time to arrange for the attendance of the necessary experts from the Control Commission. In the meantime Dr. Forster ought to be disabused of the idea that it is for the Conference to make the next move and be invited to expedite the further proposals respecting the accumulation of stocks foreshadowed by Dr. Stresemann at Geneva, without waiting for the views which the Conference may decide to express after it has received the Versailles Committee's report.

3. The question of the eastern fortifications is of more direct interest to the French than to His Majesty's Government and it is desirable to leave the initiative in the discussions with Dr. Forster so far as possible to the French representatives. At the same time there seems no intrinsic objection to Dr. Forster's proposal to distinguish between works designed to replace previously existing works or to complete a previously existing line and those which, being constructed on new lines, would really constitute new works. It is of course clear that this proposal goes no way towards settling the chief point at issue, which turns on the extent of repairs or ameliorations that may be made on works already existing. Nevertheless the important thing is that the German Government should produce fresh proposals on which the discussions could be reopened, and I should for that reason have no objection to Dr. Forster being informed that, with a view to the resumption of discussions, the ex-Allied representatives will be glad to receive proposals from the German side on the basis of Dr. Forster's suggestions; this must not however be taken to mean that they have receded in any way from their previous standpoint on the question. I shall be glad if Your Lordship will speak to the French Government on the above lines and, if they agree, suggest that Monsieur Massigli should be invited so to reply to Dr. Forster.²

I am, &c.,

(For the Secretary of State)

ORME SARGENT

² Mr. Perowne, who had been temporarily transferred to Paris, stated in a letter of December 30 to Mr. Troutbeck that he had, on the previous day, spoken accordingly to M. Massigli, who made no observations on the proposed reply.

No. 372

Sir R. Graham (Rome) to Sir A. Chamberlain (Received December 26, 9 a.m.)

No. 275 Telegraphic [C 13482/391/90]

Confidential

ROME, December 25, 1926, 7.20 p.m.

My telegrams Nos. 268 and 270.¹

I took an opportunity yesterday evening of sounding Signor Mussolini regarding the Albanian question and of speaking to him on the general lines

¹ Not printed. In Rome telegram No. 268 of December 22 Sir R. Graham stated in particular: 'I fear that any proposals on lines of revision of Italian-Albanian Pact in order

of your telegram No. 299.² His Excellency was in no easy mood and is still full of resentment over the behaviour of the late Serb-Croat-Slovene Government as typified by Monsieur Nincic's resignation. The latter's surprise could His Excellency said scarcely be genuine, as he must have known that Italian negotiations with Ahmed Zogou for pact had been in course during last ten months and the only shock that came to him was that Ahmed Zogou had finally been induced to sign. This Monsieur Nincic had certainly not expected. Nor, indeed, had Signor Mussolini himself for some time, as Ahmed Zogou had been remarkably tricky and elusive altering the wording of the pact again and again. Finally, when he had made up his mind to sign, he had wished to do so without delay and the opportunity could not be allowed to slip. Signor Mussolini declared that assurances that he had given you regarding Albania still held good. He had been accused of designs on Valona, but surely a pact which assured the independence and integrity of Albania under the aegis of the League of Nations for at least the next five years ought to have given the utmost satisfaction even to those who suspected his intentions. He went at some length into his grievances against Serb-Croat-Slovene Government, saying that their attitude had been consistently unfriendly—he alluded to the Belgrade press and to some official book on Caporetto,³ by a Yugoslav general which had been awarded a prize; they had not ratified Nettuno conventions;⁴ they had not been willing to amplify Italian Yugoslav pact and now had come Monsieur Nincic's unfriendly gesture. The spirit in which he (Signor Mussolini) would receive any Serbian overtures must depend to a great degree on general attitude of their new Government towards him. Serbian policy was directed not by the King or the Government but by military league which had dangerous ideas of territorial aggrandisement. It was (? 'not' omitted) a bad thing that Yugoslavia had been put in her proper place. He did not think adherence of other nations to Italian Albanian pact or conclusion by them of pacts would be satisfactory line to follow. He would consent to nothing which might imply that he was ashamed of having made pact or would recede from it. But he desired to continue policy of friendly relations with Serb-Croat-Slovene Government and other solution might be found. If only Monsieur Nincic had come to him at the outset he would have offered such full and satisfactory assurances that all difficulties would at once have ceased to exist. But Serbian attitude had been quite different, His Excellency expressed warm gratitude for the moderating influence that you had exercised at Belgrade, also to French Government which had in the first instance, he believed,

to conclude new tripartite pact [cf. No. 370, note 4] have little chance of success here.' Rome telegram No. 270 of the same day stated that the Serb-Croat-Slovene Minister thought that any suggestion for revising the Treaty of Tirana was hopeless.

² No. 362.

³ i.e. the successful Austro-German offensive launched on the Italian front on October 24, 1917.

⁴ These technical conventions of July 20, 1925, between Italy and the Serb-Croat-Slovene State dealt especially with Fiume, Zara and Dalmatia and are printed in *League of Nations Treaty Series*, vol. lxxxiii, pp. 33-303.

egged Serbs on but had latterly done everything that they could to ease situation.

I said His Excellency told me that if Serb-Croat-Slovene Government had come to him in the first instance he would have given most satisfactory assurances, could I reply to you that if they now came again he would meet them in the same friendly spirit? His Excellency replied that he would and that possibly the explanations he could give would be so satisfactory that no further solution of the question need be sought, but he repeated that this must depend on general attitude towards him adopted by new Serb-Croat-Slovene Government. He thought no government would be formed for some time as Serbs were struggling in a political crisis of an almost insoluble character. I said I took note of His Excellency's assurances and left it at that for the time being.

Addressed to Foreign Office, No. 275.

No. 373

Sir R. Graham (Rome) to Sir A. Chamberlain

(Received December 26, 2.50 p.m.)

No. 278 Telegraphic [C 13489/2941/22]

ROME, December 25, 1926, 7.15 p.m.

Signor Mussolini asked me to tell you that Franco-Italian relations had greatly improved as he knew this would give you satisfaction. He had completely muzzled the Italian press which was not allowed to reproduce or reply to French provocative articles. His own military movements on frontier had been confined to (? not more than) 2,000 fascist militia in order to watch for undesirable Italians who might attempt to cross. The French military movements on the other side of the frontier though constituting no serious menace to Italy had caused considerable local alarm. Many Italian settlers had enquired whether they should leave the country and return to Italy. Moreover French had sent warships to the scene. These were 'old carcasses' and if they dispelled local French apprehension so much the better as they certainly did not frighten Italy. His Excellency added that he had assured M. Briand . . .¹ Italy had no designs on Nice, Savoy, Corsica or even Tunis, but that he hoped that if Italy tried to make some arrangement with Nyam Nyam (? people) of Central Africa she would not find France barring the way as seemed to happen in every single question that arose.²

Addressed to Foreign Office No. 278.

¹ The text is here uncertain. Another text of the telegram here read '(? by telegraph)'.

² On December 29 Mr. Gregory recorded that Marquis della Torretta had that day spoken to him in terms generally similar to those employed by Signor Mussolini, as recorded in No. 372 and the present document. The Italian Ambassador had called to communicate the text of the Italian-German treaty of arbitration of December 29, 1926 (see *British and Foreign State Papers*, vol. 125, pp. 716-20). Mr. Gregory thanked Marquis della Torretta for this communication and said that he trusted that a similar one was being made in Paris. For an Italian record of that part of the conversation which related to Albania see *I Documenti Diplomatici Italiani*, Settima Serie, vol. iv, pp. 440-1.

The Marquess of Crewe (Paris) to Sir A. Chamberlain
(Received December 29)

No. 2480 [C 13602/436/18]

PARIS, December 28, 1926

His Majesty's Representative at Paris presents his compliments to the Secretary of State for Foreign Affairs, and has the honour to transmit herewith copy of the under-mentioned paper for favour of observations.

<i>Name and Date</i>	<i>Subject</i>
Allied Military Committee of Versailles. No. 557/1 of Dec. 23.	German war material question.

ENCLOSURE 1 IN NO. 374

Allied Military Committee of Versailles to Conference of Ambassadors

Le 23 décembre 1926

Pour réaliser les redressements formulés dans les Chapitres VI et VII de la note collective du 4 juin 1925, le Gouvernement allemand a soumis à la C[ommission] M[ilitaire] I[n]teralliée de] C[ontrôle] un projet de loi relatif à l'importation, l'exportation, la fabrication, la détention et le trafic du matériel de guerre.

La C.M.I.C., au cours des discussions qu'elle a eues avec le Gouvernement allemand au sujet des différents chapitres de ce projet de loi, n'a pu arriver à un accord sur certains points; elle en réfère, en conséquence, à la Conférence des Ambassadeurs.

Les points sur lesquels l'accord n'a pu être réalisé visent:

1. Les parties constitutives de certains objets classés par le projet de loi comme matériel de guerre.
2. Les matières préparées et objets ébauchés destinés à la fabrication du matériel de guerre.
3. Les machines et outillages spéciaux destinés aux fabrications de guerre.
4. La limitation de l'outillage des poudreries et fabriques d'explosifs de paix.
5. L'insertion, dans la liste du matériel de guerre, du matériel aéronautique.
6. Les bateaux de commerce pouvant recevoir un équipement de guerre.
7. Les machines pour bateaux.
8. Les sanctions contre les contrevenants.

Le Comité militaire allié a l'honneur de soumettre à la Conférence des Ambassadeurs:

- (a) Son avis sur les points 1, 2, 3, 4 et 8 ci-dessus (sous réserve de l'approbation du représentant militaire britannique).¹
- (b) L'avis des experts navals sur les points 6 et 7 (sous réserve de l'approbation de l'expert naval britannique).

L'avis de la Commission des Clauses aériennes sur le point 5 sera adressé ultérieurement à la conférence.

D'autre part, l'attention du C[omit ] M[ilitaire] A[ll  de] V[ersailles] a   t  attir  e sur la r  daction de l'article du projet de loi allemand relatif    la nomenclature des armes interdites (paragraphe 3, alin  a 4—fusils, mousquetons et carabines).

D'apr  s la r  daction allemande, seules sont consid  r  es comme mat  riel de guerre, et par suite interdites, les armes en usage, ou ayant   t   en usage, dans les formations arm  es des   tats ou encore les armes dispos  es pour utiliser des munitions en service dans l'arm  e allemande. Le texte allemand n'interdit donc ni la constitution des stocks d'armes aptes    la guerre ne rentrant pas dans les cat  gories ci-dessus, ni la d  tention de ces armes par les collectivit  s.

L'adjonction d'un alin  a destin      combler cette importante lacune est propos  e ci-contre sous le No. 9.

F. FOCH

ENCLOSURE 2 IN NO. 374

(1) *Parties constitutives de certains Objets class  s comme Mat  riels de Guerre*

(a) *Instruments d'Optique*

Le Gouvernement allemand n'accepte pas d'introduire dans la liste des parties constitutives des objets class  s comme mat  riel de guerre, les parties constitutives des instruments d'optique sp  cialement organis  s pour des buts de guerre (appareils pour la pr  paration et la direction du tir, appareils de pointage d'artillerie, certains t  l  m  tres, lunettes    ciseaux, etc. . . .)² Il soutient, en effet, que les pi  ces d'optique (lentilles, prismes. . . .)² pour instruments destin  s    des buts de guerre sont identiques    celles d'instruments similaires destin  s    des buts de paix.

La C.M.I.C. estime ne pouvoir accorder sur ce point une concession, dont les cons  quences lui paraissent, au point de vue militaire, de grande port  e, car autoriser la fabrication, l'exportation ou la d  tention des pi  ces d  tach  es d'instruments d'optique sp  cifiquement militaires, revient en fait    autoriser la fabrication, l'exportation ou la d  tention d'instruments complets, ce qui est interdit par un article pr  c  dent du projet de loi.

¹ Mr. Troutbeck minuted on December 30 that he had learnt from the War Office that General Clive had been authorized to withdraw his reservations.

² Punctuation as in filed copy.

Avis du C.M.A.V.

Le C.M.A.V. estime que la fabrication, l'exportation et la détention des parties constitutives spéciales aux appareils d'optique spécifiquement militaires doivent être prohibées. Cette interdiction ne vise pas les parties constitutives (lentilles, prismes) qui entrent sans aucune modification dans la construction d'instruments d'optique que l'on trouve couramment dans le commerce (instruments topographiques, géodésiques, astronomiques, etc. . . .²

(b) Parties constitutives de Fusils, Mousquetons, Carabines, Pistolets ou Revolvers de Guerre et de Munitions de Guerre pour Mitrailleuses et Armes portatives.

L'article 6 du projet de loi prévoit que certaines usines qui exportent présentement des parties constitutives de ces matériels pourront continuer à le faire, sous réserve qu'elles y seront officiellement autorisées par le Gouvernement allemand et à la condition que l'outillage consacré à ces fabrications exceptionnelles de guerre ne pourra être augmenté.

Le Gouvernement allemand explique la rédaction de cet article par des nécessités économiques.

La C.M.I.C. estime ne pouvoir donner son accord à cet article. Elle ajoute que si la C[onférence des] A[mbassadeurs] envisageait une concession sur ce point, cette concession ne devrait viser que l'exécution des commandes en cours dont la durée n'excéderait pas un an—elle conditionne, en outre, cette concession à un examen préalable de la personnalité des usines intéressées ainsi que de la nature et de la quantité des pièces fabriquées dans chacune d'elles.

Avis du C.M.A.V.

Le C.M.A.V. estime à l'unanimité que l'article 6 du projet de loi allemande, qui est incontestablement contraire à l'article 170 du Traité de Paix, ne peut être accepté et qu'aucune concession ne saurait être accordée pour permettre à certaines usines d'exécuter des commandes illicites.

ENCLOSURE 3 IN No. 374

(2) Matières préparées et Objets ébauchés destinés à la Fabrication du Matériel de Guerre

Le Gouvernement allemand prétend ne retenir comme matériel de guerre que les matières premières ou objets ébauchés qui 'sont déjà suffisamment travaillés pour ne plus pouvoir être normalement utilisés que pour des fins de guerre' et se refuse par ailleurs à retenir comme matériel de guerre les ébauchés des canons de mitrailleuses et d'armes portatives, les ébauchés de douilles d'artillerie, d'étuis de munitions d'infanterie, de pièces de fusils, qui n'auraient pas été soumis à plus d'une opération d'étrépage à froid et d'une passe au tour [*sic ? four*].

La C.M.I.C. demande que la définition en question soit rédigée comme suit:

'Matières préparées ou objets ébauchés, lorsqu'ils sont destinés d'une manière patente à la fabrication d'armes, de munitions ou de matériel de

guerre ou bien sont parvenus à un stade de fabrication tel qu'ils ne peuvent plus être convenablement utilisés que pour des fins de guerre.'

La C.M.I.C. estime en effet:

1. Qu'avec la définition allemande, ledit Gouvernement pourra fabriquer des ébauchés de tubes, de canons et d'obus;
2. Que les usines productrices d'ébauchés, aciéries, forges, ateliers de forgeage, laitonneries, seraient, de par le projet de loi allemand, libres de fabriquer pour subvenir aux besoins des armées étrangères et que le Gouvernement allemand, s'il voulait quelque jour *préparer une mobilisation industrielle*, aurait sa tâche singulièrement facilitée du fait du développement réalisé dans ces installations. Le projet de loi permettrait de plus la constitution à l'intérieur de l'Allemagne de stocks d'ébauchés.

La C.M.I.C. demande, en outre, que les matières premières préparées et objets ébauchés soient au nombre de ceux dont la confiscation et la mise hors d'usage sont obligatoires.

Avis du C.M.A.V.

Le C.M.A.V., partageant l'avis exprimé par la C.M.I.C. que la définition allemande donnerait à l'Allemagne des facilités toutes particulières pour préparer une mobilisation, estime qu'aucune concession ne peut être envisagée sur ce point. Il propose donc à la Conférence des Ambassadeurs d'inviter le Gouvernement allemand à accepter le texte ci-dessous relatif aux ébauchés:

'Matières préparées ou objets ébauchés, lorsqu'ils sont destinés d'une manière patente à la fabrication d'armes, de munitions ou de matériel de guerre ou bien sont parvenus à un stade de fabrication tel qu'ils ne peuvent plus être convenablement utilisés que pour des fins de guerre.'

ENCLOSURE 4 IN No. 374

(3) *Machines et Outillages spéciaux destinés aux Fabrications de Guerre*

Le projet de loi interdit bien la *détention* 'des machines spéciales aux fabrications de guerre, des ensembles de machines constituées spécialement pour la fabrication de matériel de guerre, et de leurs appareillages, des outils, vérificateurs, gabarits, modèles, matrices, poinçons, étampes et contre-étampes spécialement disposés pour la fabrication du matériel de guerre'.

Mais il n'interdit pas *l'exportation* de ces machines ni de leur outillage spécial.

Le Gouvernement allemand fonde, sur des considérations juridiques, son refus d'introduire les machines et outillages spéciaux dans la liste du matériel de guerre dont l'exportation est interdite: il soutient que la rédaction de l'article 169 exprime clairement que les outils destinés aux fabrications de

guerre ne rentrent pas dans le concept 'Matériel de Guerre' puisqu'après avoir stipulé la livraison des armes, munitions et matériel de guerre, cet article spécifie: *il en sera de même de l'outillage destiné aux fabrications de guerre.* Le Gouvernement allemand en déduit que cet outillage ne rentre pas dans le matériel de guerre visé à l'article 170. La C.M.I.C. n'accepte pas cette thèse: mais, à titre de concession, elle a accepté que l'exportation des machines spéciales restât autorisée, toutefois elle demande que soit interdite l'exportation de l'outillage spécial (outils, vérificateurs, gabarits, modèles, poinçons, matrices, étampes et contre-étampes spécialement disposés pour la fabrication du matériel de guerre). L'existence en Allemagne d'usines fabriquant cet outillage pour l'exportation constituerait en effet une facilité de mobilisation industrielle, car elle formerait l'embryon des usines de guerre interdites par l'article 168 du Traité, et donnerait lieu à la création de bureaux d'études pour la fabrication de ce matériel de guerre. L'exportation de cet outillage permettrait, en outre, au Gouvernement allemand, de monter à l'étranger des usines de guerre complètes.

Avis du C.M.A.V.

Le C.M.A.V., partageant l'avis exprimé par la C.M.I.C., estime que, non seulement la détention, mais aussi l'exportation de l'outillage spécial, doit être prohibé car cet outillage ne peut servir qu'à des fabrications de guerre. Aucune concession ne saurait être faite sur ce point qui tend à empêcher l'Allemagne de préparer sa mobilisation.

ENCLOSURE 5 IN No. 374

(4) *Limitation de l'Outillage des Poudreries et Fabriques d'Explosives de Paix*

Le Gouvernement allemand s'engage à n'apporter pendant trois ans aucune modification à l'outillage des usines productrices de poudres et d'explosifs destinés à des besoins commerciaux, et après l'expiration de ce temps, si le développement technique et économique rendait nécessaire des modifications à cet outillage, s'engage également à communiquer ces modifications aux Gouvernements qui sont actuellement représentés à la C.M.I.C.

La C.M.I.C., considérant, en outre, que lesdites usines ont un outillage équivalent à celui de 1914, avec lequel elles suffisaient non seulement à assurer les besoins normaux du commerce pacifique, mais aussi ceux du commerce de guerre, estime qu'il est inutile d'apporter aucune modification aux usines avant six ans.

Avis du C.M.A.V.

Le C.M.A.V., se ralliant au point de vue de la C.M.I.C., estime qu'aucune modification ne saurait être apportée à l'outillage des usines précitées avant six ans, et après l'expiration de ce temps, si le développement technique ou économique rendait nécessaire des modifications, communication de ces

modifications devrait être faite par le Gouvernement allemand aux Puissances représentées à la Conférence des Ambassadeurs.

ENCLOSURE 6 IN No. 374

(8) *Sanctions contre les Contrevenants*

Le paragraphe 9 du projet de loi stipule:

1. Que quiconque contrevient *sciemment* aux prescriptions de la présente loi sera puni de prison jusqu'à six mois ou de détention ou d'amende;
2. Que la confiscation des objets pourra être prononcée et que, de plus, pour certains objets, la confiscation et la mise hors d'usage devront être prononcées.

La C.M.I.C. demande:

1. En ce qui concerne l'alinéa 1—la suppression du mot 'sciemment'—ce mot risquant d'affaiblir l'efficacité de la loi. La C.M.I.C. fait, d'ailleurs, remarquer que le mot 'sciemment' ne se rencontre pas dans les paragraphes similaires de l'Accord aéronautique du 22 mai 1926;
2. En ce qui concerne l'alinéa 2:
 - (a) Que la mise hors d'usage soit prévue pour les objets dont le projet de loi envisage la confiscation;
 - (b) Que la confiscation et la mise hors d'usage soient de règle non seulement pour les armes et les munitions, mais aussi pour les objets (y compris les pièces constitutives et les ébauchés), les machines, l'outillage et les appareils spécialement organisés pour des buts de guerre.

La C.M.I.C. demande, en outre, qu'un paragraphe soit inséré dans la loi prescrivant la dispersion des ensembles de machines constituées spécialement pour des fabrications de guerre.

Avis du C.M.A.V.

Le C.M.A.V., d'accord avec la C.M.I.C., est d'avis que la conférence demande au Gouvernement allemand:

1. De supprimer le mot 'sciemment' de l'alinéa 1 du paragraphe 9 de son projet de loi;
2. De prévoir dans l'alinéa 2:
 - (a) La destruction pour les objets dont le projet de loi envisage la confiscation;
 - (b) La confiscation et la destruction pour les objets (y compris les pièces constitutives et les ébauchés), les machines, l'outillage et les appareils spécialement organisés pour des buts de guerre;
3. D'insérer dans la loi un paragraphe prescrivant la dispersion des ensembles de machines constituées spécialement pour les fabrications de guerre.

ENCLOSURE 7 IN No. 374

(9) *Définition des Fusils, Mousquetons et Carabines*

Le paragraphe 3, alinéa 4, du projet de loi relatif aux fusils, mousquetons et carabines est ainsi rédigé:

Fusils, mousquetons et carabines de tous les modèles qui:

- (a) Entrent ou entreront dans l'armement des forces armées de tout État, ou
- (b) Sont disposés pour utiliser une munition en usage dans les forces armées allemandes, ou
- (c) Ont cessé de faire partie de l'armement des forces armées d'un État quelconque, mais restant susceptible d'utilisation militaire et sont destinés à des buts de guerre.

Or, la C.M.I.C. estime que le Gouvernement allemand pourrait en secret armer une grande partie de ses citoyens avec des armes susceptibles d'être utilisées à la guerre et ne rentrant pas dans les catégories ci-dessus.

Dans cette hypothèse, l'armement des 100,000 hommes de la Reichswehr deviendrait négligeable, et rien n'empêcherait la nation allemande mobilisée d'être dotée d'une arme de guerre qui, n'étant ou n'ayant été en service dans aucune armée connue, ne tomberait pas sous le coup du projet de loi.

La C.M.I.C. propose, en conséquence, qu'au paragraphe relatif aux armes portatives soit ajouté un alinéa supplémentaire ainsi conçu:

'Fusils, mousquetons, carabines et leurs munitions destinés à des buts de guerre, autres que ceux visés aux Nos. 4 et 5 du paragraphe 3.'

Avis du C.M.A.V.

Le C.M.A.V., partageant la manière de voir de la C.M.I.C., estime, en outre, que l'interprétation qui pourrait être donnée à l'article 178 du Traité de Versailles ne suffirait pas pour écarter ce danger.

Il propose, en conséquence, de demander au Gouvernement allemand d'insérer à la fin du paragraphe relatif aux fusils, mousquetons et carabines, l'alinéa suivant:

'(d) *Ou sont susceptibles d'être destinés à des buts de guerre.*'

No. 375

The Marquess of Crewe (Paris) to Sir A. Chamberlain
(Received December 30, 8.30 a.m.)

No. 427 Telegraphic: by bag [General 199/II]

PARIS, December 29, 1926

The Ambassadors' Conference met this morning at 11.30 a.m. under the presidency of Monsieur Jules Cambon. I was present together with my Japanese and Italian colleagues. Representatives of the Belgian and United States Embassies also attended. The following questions were considered.

(1) *War Material*

The conference considered the 'avis' submitted by the Versailles Committee on December 23rd (see my despatch No. 2480¹ of December 28th).

Marshal Foch explained the position as regards the 8 points on which the Control Commission in Berlin and the German government had been unable to reach an agreement. The allied military experts were now unanimous as to the replies which should be sent to the Control Commission regarding 5 of these points (Nos. 1-4 and 8); the views of the naval and air experts regarding points 5, 6 and 7 are still awaited but they will be drafted within a few days. In view of the fact that substantial allied agreement existed with regard to this matter the question arose where should the further negotiations with the Germans take place. Marshal Foch considered that as the matter was largely technical and highly complicated and required the services of experts it would be desirable that the negotiations should take place at Berlin.

Monsieur Massigli then explained that three courses appeared open; that the negotiations should be held (a) at Berlin, (b) at Paris or (c) that they should be initiated in Berlin and be transferred to Paris if no progress were recorded within a fixed period.

A discussion followed in which it was pointed out that in the event of the negotiations taking place in Berlin it would be impossible for the Control Commission to discuss the naval questions with the German authorities.

It was finally decided to approve the 'avis' of the Versailles Committee as far as it went. A copy would be sent immediately to the Control Commission at Berlin for communication to the German authorities. A week would then be allowed for negotiations with a view to possible adjustments and agreement with the Germans regarding the military clauses, (pts. 1-4 and 8) after which the venue of the discussions would be transferred to Paris. The naval clauses (pts. 6 and 7) would be communicated to the Germans when ready, but if not accepted by the Germans as they stood, discussion regarding these points would be transferred to Paris at once.

Monsieur Massigli was authorised to inform the German Embassy of the line of action which it had been decided to adopt.

(2) *Departure of the Control Commission from Berlin*

Monsieur Massigli explained the proposal (see my despatch No. 2405² of December 16th) that the Commission of Control should remain on in Berlin until the end of February, 1927. He made it clear that the consent of the Germans would be necessary before the proposed arrangements could be put into operation. He had no reason to believe, however, that the Germans

¹ No. 374.

² Not printed. The proposal by the Secretariat-General of the Conference of Ambassadors was that the Commission of Control should remain in Berlin to complete its report, but should finish its operations on January 31, 1927.

would raise any objections in this connection. He was authorised to approach the German Embassy accordingly.³

Marshal Foch then raised the question of the status and procedure of the experts who are, according to article 5 of the Geneva arrangement of December 12th, to be attached to the allied embassies in Berlin after the withdrawal of the Commission of Control. Would these experts be responsible to the Ambassadors' Conference or would they be responsible to the League of Nations, and in either event what would their procedure be.

I availed myself of the opportunity provided by a remark from Monsieur Cambon regarding the difficulties which might arise out of the relations between the experts and their respective ambassadors in Berlin, to put forward the suggestion referred to in paragraph 4 of your despatch No. 3525⁴ of the 22nd December that it might be found more convenient in practice if the experts in question were to work in Paris and not in Berlin. The Conference was, however, unanimous in drawing my attention to the precise terms of Article 5 of the agreement of December 12th providing for the presence in Berlin of these officers, and in the circumstances I felt unable to press the suggestion further.

It was pointed out that according to the agreement of December 12th the experts were authorised to reach agreement not as regards new questions but only as regards questions of execution relative to the settlements reached or to be reached on the points already outstanding. This being so they would continue to be responsible to the Ambassadors' Conference.

It was agreed that General Walch should be invited to express his views as to the procedure which the allied experts should adopt in order to carry out the duties laid upon them by article 5 of the agreement of December 12th. . . .⁵

³ Lord Crewe reported Dr. Forster's agreement to the proposed arrangement in Paris despatch No. 147 of January 19, 1927.

⁴ No. 369.

⁵ The omitted sections related to other matters.

No. 376

Sir R. Lindsay (Berlin) to Sir A. Chamberlain (Received December 31)

No. 867 [C 13685/234/18]

BERLIN, December 29, 1926

Sir,

I have the honour to submit herewith a brief account of the present political situation and a résumé of the developments which led to the overthrow of Dr. Marx's Government on the 17th instant. In my despatch No. 768¹ of the 11th of December [November], I drew attention to the precarious position of the Ministry, and stated in paragraph 5 that if the Social Democrats persevered in their policy of hostility to the Government, and if the German

¹ Not printed.

Nationalists supported them, its position was likely to become untenable. This contingency did in fact arise and the downfall of the Government followed as a matter of course. The sequence of events was as follows.

2. On the 12th of November, Dr Marx interviewed the Social Democratic leaders and it was agreed that henceforth the Government parties would notify the Social Democrats in advance of any pending measures, in order that an understanding might be reached before the submission of legislative proposals to the Reichstag. The agreement so patched up appeared at the time to provide for all emergencies, and it seemed that henceforth the Social Democratic party was cast for the rôle of silent partner in a grand coalition. In the 'Germania' of the 18th of November Herr Stegerwald, the Chairman of the Catholic Trades Unions, who by virtue of his position exercises a powerful influence in the Centre party, pronounced himself in a manner definitely unfavourable to any future Coalition which should include the German National party. As Stegerwald had hitherto vacillated whenever the question of collaboration with either the Left or the Right was raised before the party forum, the Social Democrats took courage from the assumption that the possibility of a coalition which would include the Right had receded into the distance.

3. On the 20th of November, the 'Berliner Tageblatt' published alarming reports from Breslau regarding co-operation between Reichswehr Officers and the local patriotic association. About the same time Dr Loebe, the President of the Reichstag was expressing himself very strongly in the columns of 'Vorwärts' on the subject of recruiting, urging that henceforth the choice of recruits should be entrusted to impartial committees under civilian control. Indeed throughout November reports of minor irregularities emanating from different quarters trickled into the Democratic Socialist or Communist press, the cumulative effect of which was to arouse uneasiness in the Republican camp. Although these questions were ventilated to some extent in the debate in the Reichstag on the 23rd of November (see my despatch No. 802¹ of the 26th of November, 1926), Socialist misgivings were not appeased.²

² In his despatch No. 801 of November 26 Sir R. Lindsay had transmitted a copy of a memorandum by Lieutenant Hume, the Officer attached to H.M. Embassy, on the German press campaign regarding the connexion between the associations and the Reichswehr, and a translation of an article by Dr. Gessler, the German Minister of Defence, in the *Berliner Börsen Courier* of November 23. Sir R. Lindsay commented that Dr. Gessler's 'account and defence of the present method of recruiting the Army is interesting and significant'. In his memorandum Lieutenant Hume cited the report in the *Berliner Tageblatt* of November 20 with the reply given by the German Ministry of Defence: for a summary of these documents and of Dr. Löbe's statement in *Vorwärts* see *The Times* of November 22, 1926, p. 13. For a report on Dr. Gessler's article *v. op. cit.*, November 24, p. 13; cf. also *op. cit.*, December 6, p. 13. After referring to difficulties in selecting recruits for the Reichswehr, Dr. Gessler stated in particular: 'the responsible officers began to demand from volunteers the names of individuals who were closely acquainted with their personality and past history, and who would be in a position, therefore, to judge as to whether they were able to fulfil the demands of a period of service of 12 years. These enquiries proved both necessary and useful. Unfortunately, contrary to regulations, in some cases such questions were

4. The attention of the Left parties was diverted for the ensuing week to a highly contentious measure introduced by the Democratic Minister of the Interior providing a censorship for the suppression of indecent literature. The Bill was passed finally on the 3rd of December, the German Nationals supporting the Government, the Socialists and Communists voting against them. The matter had this much importance in the general political situation, that it served to exacerbate to some extent the relations between the Government and the Socialist Party.

5. The proceedings at Geneva absorbed the attention of the political parties during the first fortnight in December, although the domestic affairs of the Reichswehr continued to be the subject of scrutiny in the press of the Left. More particularly the disclosures in the 'Manchester Guardian', published in the German press of the 6th of December, intensified the alarm of the Left parties.

6. On the 6th of December an incident occurred which was to lead indirectly to the fall of the Government 10 days later. In the absence of Dr Stresemann at Geneva the Vice-Chairman of the Volkspartei, Dr Scholz, was indiscreet enough, in addressing a meeting in his constituency at Insterburg, to advocate openly the extension of the present coalition so as to include the German Nationals on the ground that the questions of the 8 hour day, the Reichswehr and primary education provided so many points of contact between his party and the German Nationals. The Social Democrats chose to interpret this speech as an open declaration of war in view of the tacit understanding between the Government and themselves to which reference has been made in paragraph 2 of this despatch. The Centre and Democratic press upbraided Dr Scholz in unmeasured terms, and Dr Stegerwald reiterated his objections to a coalition with the Right. Dr Stresemann endeavoured to intervene from Geneva with the result that Dr Scholz recanted to some extent on the 8th of December pointing out that his speech was not to be taken as an official utterance of his party. His party however seemed disposed to endorse the speech and the recantation was not taken seriously by the Social Democrats. Dr Marx appealed to the Socialists to await the return of Dr Stresemann from Geneva, and a truce of some days was called. An interesting feature of the incident seemed to be that the Volkspartei, with its wellknown tendencies towards the Right, was reacting against the inclination of the Left parties to call in question the politics and organization of the army.

7. Dr Stresemann returned to Berlin on the 15th of December. On the preceding evening the Democratic party had passed a resolution calling on the Government to suppress all relations between the 'patriotic' associations and the Reichswehr and to purge the army of politics. They likewise insisted that future recruits, whether officers or men, should be chosen from sup-

asked of leaders of associations which, in their character as political organisations, were forbidden to the Reichswehr. It is this which has led to the misunderstanding in the press, which appears to assume that Reichswehr units drew their supply of man-power from such associations.'

porters of the republic. The Centre party signified their approbation, and it was hoped that the Social Democrats would be content to await or at any rate to refrain from precipitating a crisis before January. This hope, however, was doomed to disappointment and the 'Vorwärts' of the 16th of December declared that the party would not be content with the substitution of Dr Gessler or the Minister of the Interior³ by less obnoxious nominees. At a party meeting on the 15th of December (see my telegram No. 320⁴) the Socialists declared that they were ready to negotiate with the Government for the establishment of a grand coalition, but that the resignation of the present Government was an indispensable pre-condition. This resolution could only mean that the party would introduce a vote of 'no confidence' at the impending debate in the Reichstag.

8. Accordingly the fate of the Government depended on the attitude of the German Nationals who signified their willingness to negotiate with Dr Marx on the question of a 'bourgeois' coalition, i.e., the entry of the German Nationals into the Government. This, Dr Marx flatly refused on his own initiative, and the fate of the Ministry was settled.

9. After a heated debate in the Reichstag, a summary of which is contained in my despatch No. 846⁵ of the 22nd of December, the Government were defeated on a vote of 'no confidence' by 249 votes against 171 the majority comprising German Nationalists, Socialists and Communists. The Government resigned forthwith and the Reichstag was adjourned till the 19th of January. The President of the Reich held some perfunctory conversations with the leaders of parties, after which it was announced that further efforts towards the reconstitution of a Government could best stand over till the days preceding the reassembly of the Reichstag; in the meanwhile the present Government would continue the discharge of ordinary business.

10. When Dr Marx concluded his pact with the Social Democrats (see paragraph 2 above), he probably thought he had foreseen all eventualities

³ Dr. Wilhelm Külz.

⁴ Not printed.

⁵ Not printed. In this despatch, which transmitted an account of the debate in the Reichstag on December 16-17, Sir R. Lindsay referred to the speech by the former Chancellor, Herr Philipp Scheidemann, on 'conditions in the Reichswehr' and commented in particular: 'One of the most interesting features of the debate was a spirited speech delivered extempore by Dr Wirth. . . . His speech may be characterised as an appeal to the Right to allow the army to develop on non-party lines. He hinted that the possibility of co-operation with Russia was no longer being ruled out of court in Nationalist quarters and remarked incidentally that the policy of *rapprochement* with Russia initiated at Rapallo and supplemented by the Treaty of Berlin owed its origin to Dr Rathenau whose patriotism was greater than that of his short-sighted assassins. His argument was that if co-operation with Russia or any other country ever came within the range of practical politics Germany would be impotent were her army permeated and vitiated by party politics. If Germany cherished any dreams of a future German army, that army must be a national one supported by all classes of the community and not restricted in its allegiance to any one class.' For an account of the German political situation at this time in the light of the article in the *Manchester Guardian* of December 3 (see No. 334) and of Herr Scheidemann's speech in this connexion see Erich Eyck, *op. cit.*, vol. ii, pp. 94-101.

and that with due caution the Government might be able to carry on at all events till the spring. He failed to see that Social Democratic dissatisfaction with the Reichswehr, i.e. with an existing state of things, would bring his coalition to an end. So long as the Military Control Commission remained in Germany, ardent supporters of the Republic were willing to close an eye to much that went on in the Reichswehr—to its notoriously monarchic tendencies; to its extraordinary system of recruiting; its connections with reactionary associations, and its disposal of extra budgetary funds. Consciously or subconsciously they felt that these abuses would never get quite out of control so long as powerful foreign pressure could be exerted, and it has been interesting to observe, particularly among the Social Democrats, certain slight indications that the determination of the Control Commission's labours has been viewed with mixed feelings. Nevertheless they have reacted to the stimulus and it is more than a coincidence that the Geneva decision should have fallen in the same week as the resolve of the left parties to insist on reform in the Reichswehr Ministry and on the elimination of politics where the Defence Force and its recruiting are concerned. It may be hoped that with control transferred in due course to the League of Nations the domestic affairs of the Reichswehr will be subjected to a no less vigorous and healthy scrutiny by the German Parliament and Press than has been the case during the last six weeks. Mere motives of self-protection make it incumbent on the parties of the Left to maintain a meticulous control over military activities in Germany.

11. Questions of foreign politics in themselves have played no part in the present crisis and the most interesting point to observe in it has been how the republicans of Germany, once freed from the obsession of foreign affairs, have instantly bent their energies to the consolidation of the republic in Germany. How this new feature in politics, which seems likely to become even more important in the future than it is now, will affect other parties, is quite obscure. The Nationalists still seem anxious to enter the Government but they have not yet taken the step which has hitherto been regarded as a necessary condition of admission, viz., an unambiguous adherence to Locarno. Nor is it likely to be easier for them in the near future to endorse Dr Stresemann's foreign policy if a bitter struggle is to be joined over the question of the army. Perhaps after the manner of parties of the Right, they are destined always to be left behind by the march of events. The Volks-partei finds itself in a position of peculiar difficulty, for while they are determined to support Dr Stresemann's foreign policy against the Nationalists they are equally determined to protect the Reichswehr against the assaults of the Social Democrats. Thus the events of this month have at least shaken the party's loyalty to the coalition it has so far supported, though its dependence on industrialism may be counted on to make it reluctant to follow any course menacing the stability of the present regime. The Centre party are less inclined than ever to enter a coalition with the German Nationalists and to some extent have pledged themselves to the course of Army reform. They continue to be the real middle of the see-saw and so long as the Reichstag is

composed as to-day, somewhere through the amorphous mass of this party runs the dividing line between the conservative and the radical republicanism of Germany. It is between these two tendencies that issue is now taken; and if the Government of to-morrow inclines to the Left or to the Right is a matter of primary importance only as regards internal politics; German foreign policy is unlikely to undergo any serious modification.

I have, &c.,
R. C. LINDSAY

No. 377

Sir A. Chamberlain to the Marquess of Crewe (Paris)

No. 297 Telegraphic: by bag [C 11/11/18]

FOREIGN OFFICE, December 31, 1926

Your telegram No. 427¹ Section 1 (of December 29th. War material).

We think it important that the German government should be reminded that they have not yet submitted the further proposals respecting the accumulation of stocks of war material adumbrated by Dr. Stresemann at Geneva. They should not be left under the impression that they are exonerated from making such further proposals by the fact that the ex-allied governments have submitted to them their criticisms of the German draft law. Please arrange that immediate representations to the German government are made in this sense whether through M. Massigli or through the Control Commission.²

Copy sent to Berlin.

¹ No. 375.

² Lord Crewe acted on these instructions in a note of January 1, 1927, to the Conference of Ambassadors. It was, however, subsequently decided in the Foreign Office, after consultation with the War Office, to accept the view expressed by M. Massigli in a letter of January 3 to Mr. Perowne that it would be better to defer such representations until the negotiations were transferred from Berlin to Paris.

No. 378

Mr. Kennard (Belgrade) to Sir A. Chamberlain

(Received January 1, 8.30 p.m.)

Nos. 1 & 2 Telegraphic [C 25/25/90]

BELGRADE, January 1, 1927, 3.20 p.m.

My telegram No. 175.¹

Minister for Foreign Affairs informs me that Italian Minister has made to him a declaration to the effect that Italian-Albanian pact is of absolutely pacific nature and is in no way directed against Yugoslavia or any other

¹ Not printed. This telegram of December 29, 1926, reported briefly on Mr. Kennard's first interview with M. Peritch, who had been appointed Minister for Foreign Affairs in the government recently formed by M. Uzounovitch.

power. Monsieur Peric replied he presumed that in view of this declaration he could assume that pact would in no way affect the integrity of Albania or decisions of conference of ambassadors and League of Nations in this connection. On Italian Minister replying in the affirmative His Excellency said that under these circumstances it was now only necessary to arrange for some form of reciprocal and solemn declaration to this effect and Italian Minister is telegraphing to his government accordingly.²

Minister for Foreign Affairs proceeded to express to me his views as to the form of declaration. There appeared to him three alternatives.

1. Tripartite pact.
2. Yugoslav pact with Albania and
3. Solemn declaration by both Italian government and Serb-Croat-Slovene government which could be communicated to League of Nations.

Monsieur Peric was inclined to prefer last alternative but he was anxious for views of His Majesty's Government and French government who having assisted Yugoslavia in attaining her freedom might be ready to help her in the work of solidification. I stated that I was not sufficiently acquainted with your views as to exact form which solution of crisis should take but that you were anxious that the present atmosphere of mutual suspicion should be dissipated. As His Excellency is informing Serb-Croat-Slovene minister in London of our conversation the latter will no doubt raise the question there.³

Addressed to Foreign Office Nos. 1 and 2, repeated to Rome and Durazzo.

² See *I Documenti Diplomatici Italiani*, Settima Serie, vol. iv, pp. 441-2.

³ M. Djouritch, the Serb-Croat-Slovene Minister in London, called at the Foreign Office and discussed Italian-Yugoslav relations with Mr. Sargent on January 1 and with Mr. Howard Smith on January 3. Mr. Sargent and Mr. Howard Smith spoke generally on the lines adopted in No. 380, but Mr. Sargent indicated that 'in this matter His Majesty's Government were not prepared to act as intermediary'.

No. 379

Sir R. Hodgson (Moscow) to Sir A. Chamberlain (Received January 10)

No. 5 [N 87/87/38]

MOSCOW, *January 1, 1927*

Sir,

With reference to my despatch No. 949¹ of December 30th, transmitting translation of a leading article from the 'Izvestiya' of the previous day, I have the honour to inform you that the same issue contains a cartoon (of which copy herewith²) of a gratuitously offensive nature. I considered that the implications of this cartoon were too insulting personally to you for me to

¹ Not printed. This despatch transmitted a translation of the article from the *Izvestiya* of December 29, 1926, printed in Cmd. 2822 of 1927 as appendix (11) to item No. 1.

² Not printed. For a description of this cartoon see *op. cit.*, p. 5.

pass them over in silence. I asked Monsieur Litvinov for an interview and on his informing me that he had not seen the cartoon in question, I produced it to him and told him that it was in my opinion no less stupid in substance than it was discourteous in intention. The 'Izvestiya' as the official organ of the Soviet Government was called to observe certain standards of decency in its methods of polemic. That obligation was not observed when it depicted the foreign minister of a friendly country taking a malicious joy in assassination. As for the substance—it remained yet to be seen whether or not the Lithuanian Government had justification for the action to which the cartoon was an allusion. The cartoon, taken in conjunction with the leading article which accompanied it, was designed to convey the belief that the British Government had instigated the overthrow of the Government in Lithuania,³ that the party which had won to power in Lithuania was a gang of murderers and that Sir Austen Chamberlain personally approved the second phenomenon no less than the first. And readers of the 'Izvestiya' were entitled to consider that this presentation of the situation was endorsed by the Soviet Government.

2. Monsieur Litvinov took the line that the Soviet Government was not responsible for everything that appeared in the 'Izvestiya'. It was a journalistic enterprise like any other and, though generally it reflected the views of the Government, yet it was liable to publish news from various sources which might turn out to be incorrect and to quote as facts things which could be disproved. I asked what, in that case, was the explanation of the ordinance recently published (see my despatch No. 836⁴ of November 17th) defining the legal position of the paper. Monsieur Litvinov said that the 'Izvestiya' was a commercial undertaking which was financed by the Government: when it was styled 'official' the meaning was that the Government used it as a medium for publishing official news, communiqués, laws, pronouncements, etcetera. I asked how it was possible to differentiate—to know when the 'Izvestiya' was interpreting the Government's views, when it was merely a channel for venting the exuberances of correspondents or of the editorial staff. Monsieur Litvinov replied that when the Government wished its views stated in the press, the article conveying them would be headed 'Official Information'.

3. I suggested to Monsieur Litvinov that other Governments were likely to be less lenient to the Soviet Government on this issue than that Government was to itself, that they hardly could be expected to accept without demur its disclaimer of responsibility for the 'Izvestiya' and that when their

³ On December 17, 1926, the Lithuanian Government of M. Slezevicius had been overthrown as a result of a military *coup d'état*, M. Smetona had been declared head of state, and a new government formed with Professor Voldemaras as Prime Minister and Minister for Foreign Affairs. On December 24 four persons were condemned to death and subsequently executed, and two persons sentenced to terms of penal servitude, for alleged Communist activities endangering the safety of the state.

⁴ Not printed. This despatch summarized decree No. 499 of June 6, 1926, of the Praesidium of the Central Executive Committee of the Soviet Union, defining the relation between the Committee and the *Izvestiya*. For a brief indication of the decree, *v. ibid.*

Ministers were branded as assassins on the front page of what was admittedly an official publication, they were apt to take such levity amiss. I added that I was making these observations entirely on my own responsibility, without any instructions from home, and that they therefore must be taken as embodying my own opinion only. Monsieur Litvinov who, though he did not change his point of view, did not seem happy about the incident, admitted that, had he seen the cartoon beforehand, he would not have passed it.

I have, &c.,

R. M. HODGSON

No. 380

Sir A. Chamberlain to Sir R. Graham (Rome)

No. 2 Telegraphic [C 25/25/90]

FOREIGN OFFICE, *January 4, 1927, 6 p.m.*

Belgrade telegrams Nos. 1 and 2¹ (of January 1st. Treaty of Tirana).

It seems to me that Jugoslav Minister for Foreign Affairs is adopting right policy in getting into touch with Italian government and that it would be a mistake to refuse to give any advice lest he should construe my refusal as a rebuff.

At the same time I do not wish to urge him to make proposals which would be rejected by M. Mussolini. First two of M. Peric's alternatives are I suppose now impossible in light of your telegrams,² and I am rather doubtful whether M. Mussolini would be ready to go so far as to join in solemn declaration proposed in third alternative, though this would be a good solution if acceptable to Rome.

Alternatively I could instruct Mr. Kennard to inform M. Peric that His Majesty's Government view with pleasure his intention to approach the Italian government, but as he asks for their views they would suggest that in the first instance Serb-Croat-Slovene government should not ask for a solemn declaration from M. Mussolini but see whether the assurances which His Excellency will doubtless be ready to give will not suffice and render any more solemn document unnecessary. Serb-Croat-Slovene government would in the opinion of His Majesty's Government be well advised to approach the matter with the greatest tact and discretion and seek a dispassionate discussion on the whole subject.

Please advise consulting M. Mussolini if you think well to do so. I should not propose to quote him but I should like to be sure that I do not give advice contrary to his wishes. My sole objects are to promote friendly agreement and to prevent misunderstanding either at Belgrade or Paris.

Addressed to Rome No. 2. Repeated to Paris No. 1 (By Bag); Belgrade No. 1 and Durazzo No. 1.

¹ No. 378.

² See No. 372.

Letter from Mr. Perowne (Paris) to Mr. Troutbeck

[C 189/11/18]

PARIS, January 5, 1927

My dear Trouters,

The draft letter from the Versailles Committee to the Control Commission in Berlin about the procedure of the five experts attached to the Embassies in Berlin after the departure of the Control Commission (see Sect. 2 of our telegram 427¹ of December 29th).²

The British alternative draft of paragraphs 4, 5, 6 and 7 of the above-mentioned draft letter, a copy of which you have presumably received from the War Office,³ has now been considered by the French. They propose to delete paragraph 1 (beginning 'chaque expert relevera du représentant de son Gouvernement auprès du Comité de Versailles') and to substitute for it the following:

'Toute communication faite par les experts aux autorités allemandes sera faite au nom du Comité de Versailles. Chaque expert relevera du C.M.A.V. par l'intermédiaire du représentant de son Gouvernement à ce Comité.

'Les communications du C.M.A.V. au Gouvernement allemand seront faites par l'intermédiaire de l'expert spécialisé dans chaque question. Copie de ces communications sera adressée en même temps aux autres experts pour leur documentation personnelle.'

After consultation with Sargent the Military Attaché⁴ has been authorised to tell the French we accept this form of words. At the same time as regards the question of each expert being a specialist, Sherbrooke is to tell the French that we want the British speciality to be war material. This, of

¹ No. 375.

² This draft letter, a copy of which had been received in the Foreign Office from the War Office, was largely the same as the text in No. 382 except that: (i) the first sentence of the fourth paragraph of the draft read: 'D'autre part, sans attribuer officiellement à ces Experts le titre de Comité d'Experts ou d'Organe de liquidation, il est indispensable de prévoir pour eux une méthode de travail en commun, qui seule paraît de nature à leur permettre de remplir leur mission'; (ii) the second and final sentence of this paragraph corresponded to the seventh paragraph of No. 382; (iii) the fifth to seventh paragraphs of the draft corresponded closely to the sixth, eighth, and ninth paragraphs respectively of No. 382.

³ Not printed. This alternative draft began as follows: 'Chaque expert relèvera du représentant de son Gouvernement auprès du Comité de Versailles et lui servira d'officier de liaison avec les autorités allemandes. Toute communication faite par les experts aux autorités allemandes sera au nom du Comité de Versailles.

'D'autre part ces experts ne doivent pas se constituer en Comité d'Experts ou en Organe de Liquidation; ils traiteront séparément avec les autorités allemandes, et si le besoin en est, chacun adressera des communications identiques aux autorités allemandes. Pour mieux coördonner leur travail il semble que les Experts pourraient . . .' The British redraft then continued as in the last four paragraphs of No. 382, except that the last paragraph concluded ' . . . et à leur permettre de faciliter dans les limites de leur compétence le règlement des Redressements encore inachevés.'

⁴ Major Sherbrooke was acting for General Clive who was on leave.

course, will not go in the letter to Walch as it is presumably a matter that will be fixed up in the first instance among the allied officers in Berlin. Perhaps, however, you might suggest to the War Office that they should instruct General Wauchope to try and arrange this.⁵

Yours ever

VICTOR PEROWNE

⁵ In reply to the letter of January 6 which Mr. Troutbeck accordingly wrote to the War Office, Colonel McGrath of the War Office sent to the Foreign Office a copy of a letter of January 7 to General Wauchope which suggested that Colonel Gosset should be the British expert and that he would be 'able to help over any outstanding armament questions, including of course the war material law'.

No. 382

*Letter from Marshal Foch (Paris) to General Walch (Berlin)*¹

No. 7/1 [C 350/11/18]

Copie

PARIS, January 5, 1927

Aux termes de l'Entente intervenue le 12 décembre 1926 à Genève entre les Gouvernements Alliés et l'Allemagne, il a été décidé à l'article 5 que: 'Pour toutes les questions d'exécution concernant les solutions intervenues, ou à intervenir, chacun des Gouvernements représentés à la C[onférence des] A[mbassadeurs] pourra attacher à son Ambassade à Berlin, un Expert technique qui aura qualité pour s'entendre avec les autorités compétentes Allemandes'.²

Ces Experts auront donc pour mission de poursuivre l'exécution des redressements qui, au moment du départ de la C[ommission] M[ilitaire] I[nteralliée de] C[ontrôle] ne seraient pas encore complètement réalisés.

Vous voudrez bien adresser dans le plus bref délai possible au C[omit ] M[ilitaire] A[llié de] V[ersailles] une proposition concernant la désignation des Experts envisagés par l'Entente du 12 décembre 1926; Il devra être tenu compte dans cette désignation des compétences particulières de ces Experts, eu égard aux affaires restant à régler.

Ces Experts ne devront pas se constituer en Comité d'Experts ou Organe de Liquidation. Ils traiteront séparément avec les Autorités Allemandes, chacun leur adressant, si besoin est, des communications identiques.

Toutefois il sera indispensable qu'ils coordonnent leur travail, faute de quoi, ils ne pourraient utilement remplir leur mission.

A cet égard, il semble que ces Experts pourraient, soit à date fixe, soit toutes les fois que le besoin s'en ferait sentir, se réunir à l'une des Ambassades des Puissances représentés à la C.A., de manière à arrêter de concert les communications à adresser au Gouvernement Allemand, ou les rapports à

¹ A copy of this letter was received in the Foreign Office on January 13 under cover of Paris despatch No. 85 of January 12 (not preserved in Foreign Office archives).

² See the Annex to No. 355.

faire à la C.A. par l'intermédiaire du C.M.A.V., communications et rapports seraient à signer par les 5 Experts.

Vous adresserez au C.M.A.V. des propositions tendant à régler le fonctionnement des Experts dans cet ordre d'idées.

Dans tous les cas, et quelle que soit la solution que vous envisagerez, il appartient à la C.M.I.C. de consigner dans un rapport spécial, adressé au C.M.A.V. et remis à chaque Expert, la liste détaillée des redressements restant à réaliser le 31 Janvier 1927.

Ce rapport spécial, dont le but est de servir de base au travail des Experts, devra contenir, en outre, toutes les indications de nature à les guider et à leur permettre de se substituer entièrement à la C.M.I.C. dans le règlement des redressements encore inachevés.

FOCH

No. 383

The Marquess of Crewe (Paris) to Sir A. Chamberlain (Received January 7)

No. 36 [C 180/11/18]

PARIS, January 6, 1927

Sir,

I have the honour to report that French public opinion, as interpreted by the press, continues to evince considerable anxiety as to the eventual outcome of the further negotiations with Germany on the questions of war material and the fortifications on the German-Polish frontier. Almost daily since Christmas notices have appeared in the newspapers, announcing the imminent return to Paris of General von Pawelsz and Dr. Forster, but expressing fear lest the proposals which they may have been instructed to put forward on behalf of the German Government in connection with these two questions will prove, on examination, to be anything but satisfactory from the Allied standpoint. The general trend of the despatches sent from Berlin by the French newspaper correspondents is that no agreement is yet in sight with regard to any outstanding point and that, in fact, the Germans do not desire that a compromise satisfactory to both parties should be reached by January 31st, but rather that the questions at issue should be submitted to the arbitration foreseen in the agreement reached at Geneva on December 12th last. The view is even expressed in the 'Echo de Paris' of January 6th that advantage is being taken of the Ministerial crisis now proceeding in Berlin to temporise with regard to the settlement of the points outstanding.

2. French anxiety regarding this alleged German intention not to give satisfaction to the Allied demands regarding war material and the eastern fortifications is further enhanced by reports from beyond the Rhine that the present German political crisis will be resolved by the entry into power of a Cabinet of the Right with the special mission of 'liberating' the Rhineland at the earliest possible moment. The doubts which exist, and which have been fostered by the publication of articles of the nature referred to in

my despatches Nos. 28 and 32¹ of the 4th and 5th instant regarding the exact course Monsieur Briand means to pursue in developing his foreign policy, have done nothing to allay the resentment caused here by the utterances of Dr. Bell, and the agitation in the German press at the time of the Landau verdict.² Much suspicion is also aroused by press statements that Germany, and particularly the parties of the Right, from whom it is suggested the new Cabinet will be composed, considers that a prompt evacuation of the Occupied Territories is, now that Germany has entered the League, the obvious corollary of a correct interpretation of the Treaties of Locarno.

3. It must be noted, however, that, while the questions of the eastern fortifications and of French security, as affected by the suggested anticipated evacuation of the Rhineland, are eagerly canvassed in the French press, that of war material receives but scant attention. Thus, articles on the subject of German action and intentions with regard to the eastern fortifications have appeared in the 'Journal', the 'Victoire' and the 'Ere Nouvelle' of January 5 and 6, while the 'Echo de Paris', in its issues of January 5 and 6, has published the views among others of Messieurs Millerand and François-Marsal³ on the subject of the evacuation of the Rhineland and promises those of General Castelnau⁴ in its issue of tomorrow. Only incidental reference is, however, made to the question of war material.

4. I am, of course, unable to say what justification there may be for the allegations of the French press correspondents regarding the German intentions in the matters of disarmament and the evacuation of the Rhine. It would appear, however, from statements which have been made to members of my staff by various French officials, that little progress is, in effect, being recorded in the negotiations now proceeding between the Control Commis-

¹ Not printed. Paris despatch No. 28 reported on 'not very favourable' comments on M. Briand's foreign policy in the French press where fears were also expressed lest Germany should take advantage of internal divisions in the French Cabinet. Paris despatch No. 32 reported on rumours in the French press that M. Briand's policy was 'failing to meet with the approval, not only of the majority of his colleagues in the Cabinet, but also of certain high officials at the Quai d'Orsay': M. Berthelot had publicly declared himself in complete agreement with M. Briand's policy.

² In December 1926 the trial had taken place at Landau before a French military court of participants in an incident at Gernersheim on September 26, 1926, when Lieutenant Rouzier, a French officer, had been surprised by a party of Germans and had shot and killed one of them. The verdict, declared on December 22, according to which Lieutenant Rouzier was acquitted and six Germans were sentenced to terms of imprisonment of up to two years, had aroused a storm of protest in Germany. In a statement summarized in *The Times* of December 23, 1926, p. 10, Dr. Bell, German Minister of Justice and for the Occupied Territory, had referred to 'the unexampled miscarriage of justice', and had stated in particular: 'Everybody must learn from Landau the lesson that we have no more urgent task than that of regaining freedom for our compatriots on the Rhine and the sovereignty of the German State in those territories.' The six condemned persons were pardoned by a presidential decree signed by the French President on Christmas Day, 1926.

³ M. Millerand had been President of the French Republic 1920-4, and M. François-Marsal was a former President of the Council of Ministers and Minister of Finance.

⁴ While Deputy for Aveyron, 1919-24, General de Castelnau had been President of the Army Commission of the Chamber of Deputies.

sion and the German Authorities pursuant to the decision of the Ambassadors' Conference reported in my telegram No. 427^s of December 29, and that the Germans are inclined to display recalcitrance also in connection with the question of the fortifications on the Polish frontier. The impression is current that, while, on the one hand, the Germans do not mean business as regards the two questions of war material and the fortifications, they are, on the other, endeavouring by means of their internal political crisis and an agitation in the German press, to levy blackmail on the Allied, and particularly the French, Governments with the object of obtaining the anticipated evacuation of the Rhineland. If the above impression at all accurately describes the present situation in Germany, I venture to think that it might be useful if, in the general interest, a hint were to be conveyed by His Majesty's Government to the German Government that if for one reason or another Great Britain and France fail to obtain from Germany the guarantees which they consider essential in regard to the questions of war material and the Eastern fortifications, this fact will naturally make it more difficult for these Governments to consent, when the question is raised, even to contemplate the evacuation of the Rhineland at a date earlier than that provided for in the Treaty of Versailles.

I have, &c.,
CREWE

^s No. 375.

No. 384

Lord Kilmaonock (Coblentz) to Sir A. Chamberlain (Received January 11)
No. 6 [C 304/304/18]

COBLENZ, *January 7, 1927*

Sir,

I have the honour to transmit to you herewith a Memorandum recording a conversation which Colonel Ryan has had with General Barthélemy on the question of Military control and of the Occupation.¹

I knew General Barthélemy personally in Berlin, and believe him to be a man of sound judgment. His remarks as to the illusory nature of control can scarcely, I think, be intended to apply to the earlier work of the Inter-allied Commission. Without initial control Germany would have remained in a state of armament, which in view of the rapidity with which demobilisation was carried out by certain of the Allied Powers, might have amounted to a positive danger, and the application of the Treaty of Versailles would have met, I am convinced, with even greater obstruction than was the case. Indeed it is doubtful whether the present more satisfactory state of affairs would have been attainable, for it would not have been possible to reassure France to the extent necessary to bring about the state of mind in which

¹ See the enclosure below.

she is today, and any discussion of the evacuation of the Rhineland would have been impossible.

It is obvious then that initial control was essential, and that the General's remarks can only apply to control over an extended period.

The fact that he holds the views he does, and states that they are shared by many of his colleagues may perhaps justify us in assuming that an early evacuation will meet with less strenuous opposition from the French than has been expected.

I have, &c.,
KILMARNOCK

ENCLOSURE IN No. 384

Record of a conversation between Colonel Ryan and General Barthélemy (Coblentz)

Confidential

COBLENZ, January 3, 1927

I had a long conversation on Rhineland questions with General Barthélemy at the French High Commissioner's reception on New Year's Eve. Mellowed by the late hour General Barthélemy was very frank and his views are perhaps of sufficient interest to put down on paper. General Barthélemy, it will be remembered, spent six years in Berlin with the Military Mission of Control. He now commands the 30th French Corps, of which the Headquarters are at Coblentz.

While the General is more liberal in his outlook than the average Frenchman, as the following summary of his conversation will show, and whilst he belongs in spirit if not in fact, to the same political school as his Chief in Berlin, General Nollet,² his opinions both on account of his position and his experience are not without weight.

General Barthélemy said that his experience in Berlin had convinced him that it was impossible to exercise any effective control of a foreign Nation in a military sense. The only guarantee worth having was psychological—the will for peace of the Nation itself. Wherever the spirit was bellicose, wherever the pride of the Nation was injured, military control, even if it appeared to show results, was in the end ineffective—it could so easily be evaded. When in Berlin he had received, mainly from Germans, much information as to Germany's illicit military preparations, which had in part formed the subject of the recent disclosures in the Reichstag. He had been aware of the illegal military training that was taking place and of the manufacture of arms and aeroplanes in Russia and elsewhere. But in general the reports (for some of which at least he had been able to obtain confirmation) were not believed. The fact remained that the large and efficient Mission of Control had not succeeded in disarming Germany. Much material, it was true, had been destroyed, and Germany's military organisations had been altered to meet the Allied views, but even with all this, Germany had available now, both

² General Nollet of the French army had been President of the Inter-Allied Military Commission of Control in Germany, 1919–24.

at home and abroad, large quantities of stores, arms and ammunition. The success of the Allied policy was in this respect negative. Morally the effect of the Military Mission was worse. Its presence in Germany had fostered rather than subdued, warlike feelings. He was convinced that the guarantee afforded by the Military Mission of Control was illusory. Equally illusory would be the control of Germany by the League of Nations and of the Rhineland by the so-called 'éléments stables'. Here he repeated his conviction that real security was only to be found in the development of a pacific frame of mind in the German people and the improvement of the relations between France and Germany. Everything that was of no practical value and that tended to disturb these relations, such as Control Missions, should be suppressed.

Prompted by me, General Barthélemy then went on to give his views on the Occupation. From the standpoint of French security, he said, the maintenance of the occupation presented little interest. It was true that there was a certain advantage in being here, since in the event of hostilities the fighting would take place on German soil. But, as against this, there were, from a military point of view, grave disadvantages in having to prepare for and commence a war in a foreign country. The population was hostile and the communications with France would at once be cut. He considered that if military reasons alone were to be consulted the evacuation should take place at once. A start had now been made with the fortifications on the northern frontier of France. The old German fortifications, turned to face the right way, were to be used to a large extent and the work would not be finished for some years. But there was no need to wait for their completion before evacuation took place.

After evacuation was ordered, it would take a year to remove to France the stores and ammunition of the French Army of Occupation. This delay seemed to me to be very exaggerated and I pressed him on this point. But he maintained his opinion and said that while it would be possible to evacuate the country more quickly it could only be done by destroying large quantities of stores as had happened when the move took place from the Northern Zone. As far as he was able to appreciate public opinion, he did not think that there would be now any opposition in France to an early evacuation.

While there was no military objection to the abandonment of the occupation he was of opinion that it would be a mistake to leave before it was certain that Germany would fulfil her reparations obligations.

Many years ago Marshal Foch, when lecturing on the qualities of the successful soldier, had used the analogy of a parrot climbing a tree. Before moving its feet it seizes between its beak the bough next above and only when that is firmly gripped does it release its hold below. This analogy he considered was equally applicable to all successful persons and nations.

He was strongly in favour of evacuating the Rhineland at the earliest possible moment, but to do so before Germany had given some definite proof of her intentions to pay her debts was to say the least imprudent.

Sir R. Graham (Rome) to Sir A. Chamberlain (Received January 10)

No. 12 [C 272/25/90]

ROME, January 7, 1927

Sir,

On receiving your telegram No. 2¹ of the 4th instant I sought an interview with the Prime Minister. But Signor Mussolini was so heavily engaged with meetings of the Cabinet and of the Fascist Grand Council that it seemed uncertain when he could receive me. I therefore thought it desirable to visit in the first instance the Under Secretary to the Ministry of Foreign Affairs and to sound Signor Grandi as to his ideas regarding the best method of approach on the part of the S[erb] C[roat] S[lovene] Government for a solution of the situation created by the Italo-Albanian Pact. But when I broached the subject with Signor Grandi he raised his hands in affected horror and said that nothing would induce him to be drawn. He did not wish to share the experience of Signor Bordonaro for having on his own account offered suggestions with regard to a separate Serbo-Albanian Pact.² Signor Grandi, when pressed, said that as a purely personal idea he thought that the Italian Government might be prepared to offer assurances which would enable the S.C.S. Government to make some declaration at Belgrade satisfactory to local feeling without the fear of its being afterwards exposed to an Italian *démenti*. But, Signor Grandi repeated, this was a question on which I must see Signor Mussolini personally as His Excellency alone could speak with authority. He feared that I should not find His Excellency in a very receptive mood as the consistently unfriendly attitude of the S.C.S. Government towards Italy had aroused his natural resentment. In any case the best advice that Signor Grandi could give me was to go slow as he did not think that the moment had arrived when any useful negotiations could be initiated between Rome and Belgrade.

2. The only other remark of interest on Signor Grandi's part was that the Italian Authorities had been able to establish beyond all doubt that the recent revolt in Albania under Loro Djaka had been organised and abetted by the military party at Belgrade. They had acted without the knowledge or approval of Monsieur Nincic.

3. I was able to see Signor Mussolini last night and I have reported fully in my telegram No. 5³ of yesterday's date on my conversation with him. His Excellency was evidently prepared for the subject of my visit as he had written down on a slip of paper the six reasons which rendered it in his opinion undesirable that any fresh negotiation between the Governments of Rome and Belgrade should take place for the time being. Signor Mussolini thought that the instability of the new S.C.S. Government, whose early fall

¹ No. 380.

² See No. 312, note 2.

³ Not printed. The account in this telegram was generally similar to that printed below: see also note 8.

he foresaw, rendered it unlikely that any immediate negotiation could produce a lasting result. He was obviously annoyed over the renewed campaign in the Belgrade press and still more over the articles in foreign newspapers, inspired, he said, from the same source. He had a copy of the 'Matin' in his hand and read to me with some amusement not unmixed with irritation extracts to the effect that the Pact of Tirana had been concocted by yourself and His Excellency at the time of your meeting at Rapallo.⁴ This gave me an opportunity of carrying out your instruction to impress, in a friendly way, upon Signor Mussolini the awkward position in which you were placed by half confidences imposing upon you, in the eyes of the world, a responsibility for which there was no justification in fact. You had always entertained full confidence in His Excellency's intentions towards Albania as so clearly expressed to you and your present interest in the matter was confined to using your best endeavours to promote a solution which would restore the relations between Rome and Belgrade to their old friendly footing and to avoid anything which might lead to a disturbing crisis. Signor Mussolini said that he understood and regretted the situation which had arisen, but no blame could be attached to him in the matter. He was well aware that you had only known the general lines on which the negotiations at Tirana were proceeding, but he did not imagine that, when you saw the text of the Pact concluded, you could regard it with anything but approval. His Excellency could not think why this Pact should have aroused so much agitation and outcry, which were indeed spurious. The agreement constituted the best possible guarantee of Albanian integrity and independence and this guarantee was strengthened by the notes exchanged between himself and Ahmed Zogou after the Pact had been signed.⁵ He could tell me in confidence that Ahmed Zogou had published these notes without consulting him and had also expressed the desire that they should be communicated to the League of Nations together with the Pact. The Italian Ministry of Foreign Affairs had consulted the Secretariat of the League as to whether it was usual to lay such notes with an agreement and received a reply in the negative. The Ministry had therefore been adverse to the idea. But Signor Mussolini himself had over-ridden their objections. He considered that the publication of the notes and their communication to Geneva could but demonstrate more clearly the perfect good-faith in which he was acting throughout.

4. It is clear that the non-ratification by the S.C.S. Government of the Conventions of Nettuno is a question which rankles with special bitterness in Signor Mussolini's mind. He considers moreover that there is no intention of ever ratifying them. When His Excellency mentioned the alleged plot prepared by the S.C.S. military organisation of the Okrana to assassinate the

⁴ On December 29, 1925: cf. Volume I, No. 166, note 2. The reference should perhaps have been to the meeting at Leghorn on September 30, 1926: see Nos. 235 and 255.

⁵ See *League of Nations Treaty Series*, vol. lx, p. 18, for the notes of December 5, 1926, from the Italian Minister at Durazzo in reply to certain requests from the Albanian Minister for Foreign Affairs.

King of Italy and himself I asked if this plot must really be regarded as serious. He replied that it was causing grave preoccupation to the Italian police and would be in strict accordance with the methods employed by the organisation specified on previous occasions. The recall of Monsieur Balougdjitch⁶, whom Signor Mussolini particularly dislikes, cannot be expected to cause His Excellency anything but gratification. And I must say that Monsieur Balougdjitch seems to have done everything possible, during his brief stay here, to embroil the situation. Signor Mussolini was perturbed over the effect here rather than the fact of the appointment of a General to be the new S.C.S. Minister.⁷ He referred with regret to the previous Minister, Monsieur Antonievitch, and asked why a diplomatist who had done such admirable work in improving relations between the two countries should be withdrawn and sent to kick his heels at Madrid, where his activities, if any, could be of no possible use? On this point I share His Excellency's opinion and consider that had Monsieur Antonievitch only been the Yugoslav representative during these past months much of the embarrassment of the present situation might have been avoided.

5. Signor Mussolini was in a mood in which it was obviously no good to press him further for the moment and I did not attempt to do so. I have nothing more to add to the account of our conversation as reported in my telegram under reference.⁸

I have, &c.,
R. GRAHAM

⁶ Serb-Croat-Slovene Minister at Rome.

⁷ There was a misunderstanding in this matter. General Tasitch was appointed Military Attaché to the Serb-Croat-Slovene Legation at Rome.

⁸ Sir R. Graham had concluded this account as follows: 'I said I would report His Excellency's attitude to you and could to some extent understand it, but danger of leaving matters in suspense was that some unfortunate incident might supervene and precipitate a crisis. Signor Mussolini evidently considered this risk had to be taken.' For Italian accounts of these conversations with Sir R. Graham on January 5 and 6 respectively, see *I Documenti Diplomatici Italiani*, Settima Serie, vol. iv, pp. 446-8.

No. 386

Note from Sir A. Chamberlain to Dr. Sthamer

[C 12/12/18]

FOREIGN OFFICE, January 8, 1927

Your Excellency,

In your note No. B.1618/26 of July 1st, 1926,¹ Your Excellency set forth the objections entertained by the German government to the reimposition and extension of the McKenna duties and to the imposition of certain Safeguarding duties by the Finance Acts of 1925 and 1926,² on the ground that

¹ See No. 51, note 4.

² In September 1915 Mr. R. McKenna, then Chancellor of the Exchequer, had introduced an import duty of 33½% on luxury goods such as motor-cars, watches, clocks, musical instruments, and cameras. By the Safeguarding of Industries Act, passed in August 1921 (printed in *The Public General Acts*, 11 & 12 Geo. 5, c. 47), a similar duty was levied on certain

the duties in question were inconsistent with clauses 1 and 2 of the Protocol to the Anglo-German Treaty of Commerce and Navigation.

2. H.M. Government have given the most careful consideration to the contentions of the German government, and I now have the honour to request you to draw the attention of the German government to the following considerations in reply. In so far as the Key Industry and Safeguarding duties are concerned, H.M. Government have imposed these duties in order to preserve the British industries manufacturing the articles to which the duties relate. In clause 1 of the Protocol to the Anglo-German Commercial Treaty the two governments expressly retain their right to take appropriate measures to preserve their own industries, and the provisions of clause 2 of the Protocol have effect 'within the limits of this undertaking', i.e., of the provisions of clause 1 of the Protocol. H.M. Government are therefore unable to entertain the suggestion propounded by Your Excellency, that these duties are contrary to the provisions of the Protocol.

3. In so far as the McKenna duties are concerned, H.M. Government have not, as suggested in the third paragraph of Your Excellency's note, abandoned the principle, which was fully maintained in discussion with the German representatives who visited London in November 1925, that these duties, imposed for revenue purposes, are to be regarded as a single group. Considered in this manner, the duties are not, in view of the relatively unimportant volume of exports from Germany to the United Kingdom of many of the articles covered by them, open to the objection that they are specially directed against, or specially injurious to German trade: a fact which appears not to be contested by the German government, as their criticism is directed not to the incidence of the duties as a whole, but to their application in a few particular instances, viz. musical instruments, clocks and motor-cars.

4. Even, however, if these particular items are to be considered in isolation—a hypothesis which H.M. Government are not prepared to accept—it appears to them that, for various reasons, the objections raised thereto by the German government cannot be regarded as well-founded.

5. The imports of *musical instruments* to this country have indeed fallen off since the reimposition of the duties. But the decline applies to imports from other countries besides Germany, and even in the past year the German imports have represented a considerable value. But the imports since 1st July 1925 afford no guide to the real position owing to the very large forestalments in the first six months of 1925, during which the imports from Germany were nearly 30% more than in the previous highest *full* year. In fact, the position remains the same as it was at the time of the Conference in November 1925 when it was recognised that the various finance duties introduced or re-introduced in the United Kingdom by the Finance Act,

non-luxury goods with the object of protecting key industries in Great Britain. Both the McKenna duties and the Safeguarding duties were abolished by Mr. Snowden in his budget of April 1924 and reimposed and extended by Mr. Churchill in the Finance Acts of 1925 and 1926, printed *op. cit.*, 15 & 16 Geo. 5, c. 36, and 16 & 17 Geo. 5, c. 22.

1925, could not usefully be discussed until there had been more experience with regard to their actual influence on trade between the two countries. As yet there has been no sufficient experience of a normal period unaffected by the forestalments which took place in 1925, and H.M. Government have no reason to think that the duty will be found, in a normal period, seriously to affect the German trade in these articles, which successfully withstood the duty during the period before 1924.

6. As regards *clocks*, the duty on clocks is an integral part of the duty on clocks and watches, and the various commodities falling under this sub-group cannot be dealt with separately. It would be inconsistent with the general principles of British taxation to impose a duty on watches and at the same time to exempt clocks. Taking the sub-group as a whole, the statistics show that German imports have never represented more than about one-third of the total imports, and the duty cannot therefore, in the opinion of H.M. Government, be regarded as applying mainly to German goods.

7. The attitude of H.M. Government in regard to these points was fully explained to the representatives of the German government at the Conference held in London in November 1925, and it appears in fact that the only new point raised in Your Excellency's note under reply relates to the extension in the last Finance Act of the duties on motor-cars etc. to commercial vehicles. In supposing that this step in any way represents a new departure of policy, the German government are under a misapprehension, for the extension resulted from the withdrawal of the previous exemption from duty of commercial cars, a withdrawal necessitated by the difficulties experienced in the administration of that exemption, and its effect was merely to round up and complete the scope of the previously existing duty. This provision appears to afford little justification for any complaint that it infringes either the letter or the spirit of the Protocol as, since the war, the imports to this country of German motor-cars, etc., have never represented more than an insignificant proportion of the total imports of motor-cars etc., and during the year July 1925–June 1926, since the reintroduction of the duties, the proportion of imports from Germany has actually shown a slight increase as compared with the proportion of German imports during the preceding year, when the duties were not enforced. In view of the great development of the motor industry during and since the war, the statistics of pre-war trade, on which the German government base their complaint, can hardly be regarded as relevant.

8. But there are wider issues of general fiscal policy raised by Your Excellency's note, which H.M. Government cannot but suppose to be of far greater importance to Germany than the issues involved in criticism of particular and relatively insignificant duties. In this respect it is of interest to observe that the statistics of German trade with this country as shown in the statement annexed,³ indicate that whereas during the three years 1922–

³ This tabular statement on Anglo-German trade 1922–6 is not printed. For official figures of Anglo-German trade 1922–6 see *The Statesman's Year Book*, 1923, p. 67; 1924, p. 59; 1925, p. 58; 1926, p. 53, and 1927, p. 54, respectively.

1924 the exports of United Kingdom produce to Germany each year substantially exceeded the German imports to this country, since 1924 the position has been reversed and the balance of visible trade, as between the two countries, has turned heavily in Germany's favour. Whatever may be the causes of this change, it can scarcely be held to support the thesis that H.M. Government have pursued a policy of hampering the expansion of German exports to this country.

I have, &c.,
(For the Secretary of State)
C. HOWARD SMITH

No. 387

Letter from Sir A. Chamberlain to Sir R. Graham (Rome)

[F.O. 800/260]

Private and Personal

January 10, 1927

My dear Graham,

I send under flying cover a letter to Mussolini. Please read it and then close it and forward it to him. I have written it for two reasons, first to maintain the personal relationship which happily exists between us, and secondly because I want him to see the League as I see it and because I think some injury is done to Italian policy by the constant attacks upon the League in certain Fascist journals. They feed the idea that Italy is aggressive and that he dislikes the League because it is an obstacle to aggression. Believing as I do that Mussolini's policy is a sane one and for the present at any rate an entirely peaceful one, I regret these constant suspicions and all that feeds them. I do not suppose that my address¹ will produce any great results, but if it causes Mussolini to think a little upon the subject, it will not be a bad thing from our point of view or, as I believe, from his own.

With kindest regards,
Yours sincerely,
AUSTEN CHAMBERLAIN

P.S. I wish he would show himself a little more forthcoming about Yugo-Slavia, but for the moment there is no more that we can do in that matter.

A. C.

ENCLOSURE IN NO. 387

Letter from Sir A. Chamberlain to Signor Mussolini

le 10 janvier 1927

Mon cher Président et Ami,

Les étudiants de l'Université de Glasgow dans l'exercice d'un vieux privilège m'ont choisi l'an dernier comme leur représentant, c'est-à-dire

¹ Cf. the enclosure below.

Recteur de l'Université. C'est une poste qui ne comporte qu'un seul devoir qui est de leur faire une allocution sur n'importe quel sujet pourvu que ce ne soit ni un thème de politique de parti ni de théologie contencieuse [*sic*].

Mon choix est tombée sur la Société des Nations, et je me permets de vous envoyer ci-jointe la petite brochure qui reproduit mon discours.²

Je vous l'enverrais volontiers seulement pour me rappeler à vos souvenirs et pour vous témoigner de mon amitié, mais je vous avoue que j'entretiens l'espoir que vous trouverez quelques instants pour la parcourir, surtout la dernière partie où je m'explique sur l'état actuel de la Société, sur son avenir et sur la place qui y tient notre garantie du traité de Locarno. Ce traité lie intimement les fortunes et la politique de nos deux pays non seulement en ce qui concerne les relations futures de la France et de l'Allemagne, mais aussi et autant, en tout ce qui a rapport au développement de la Société, puisqu'en dernier lieu notre action à nous deux dépend des décisions du Conseil.

Je crois que ma façon de regarder les problèmes actuels de la Société ne vous sera pas tout à fait étrangère, puisque tout en ayant un côté idéal très important, je m'efforce de faire bien sentir aux amis de la Société les réalités de l'heure actuelle et de marquer les limites dans lesquelles son action peut être à présent sagement exercée. Il y a un poète anglais qui a dit que les plus grands hommes sont ceux qui tout en cherchant à atteindre aux étoiles gardent les pieds fermement plantés sur la terre. Cette phrase c'est tout une politique—qui n'est pas, je crois, très éloignée de la vôtre. La Société existe; c'est un fait, et il faut en tirer tout ce que nous pouvons pour le bien de nos pays et pour la paix du monde.

Je ne demande pas de réponse à un Ministre qui détient six portefeuilles, mais je vous prie d'agréer cet envoi comme le témoignage de mes sentiments de haute considération et de bonne amitié.³

AUSTEN CHAMBERLAIN

² Not attached to filed copy. For the text of this address, delivered on November 2, 1926, see Sir Austen Chamberlain, *Peace in Our Time* (London, 1928), pp. 146-71.

³ In his reply of January 14 Signor Mussolini stated in particular: 'Le fait est, comme vous le dites justement, que la Société des Nations existe: qu'elle a réalisé de la bonne besogne en maintes circonstances assez graves d'ordre politique et économique; qu'elle a offert la possibilité d'une entente pour la solution des conflits qui auraient pu s'élargir en des complications fatales et surtout elle a rendu possible la réalité de Locarno.'

'D'accord encore avec vous, dans l'affirmation que la Société des Nations n'est pas un super-Etat et qui [*sic*] il y a des questions intérieures qui ne doivent pas former matière d'interventions de la Ligue.'

Sir R. Graham subsequently reported in Rome despatch No. 70 of January 28 that Sir Eric Drummond's impression from a recent visit to Rome 'was that the atmosphere here in regard to the League had undergone a considerable change for the better since his last visit to Rome two years ago. He had been given to understand that your private communication to Signor Mussolini on the subject had exercised a very beneficent effect on His Excellency.'

Sir A. Chamberlain to Mr. Kennard (Belgrade)

No. 3 Telegraphic [C 192/25/90]

FOREIGN OFFICE, *January 11, 1927, 3.30 p.m.*

Your telegrams Nos. 1 and 2¹ (of January 1st) and Sir R. Graham's telegram No. 5² (of January 6th: treaty of Tirana).

It is clearly useless for Serb-Croat-Slovene Minister for Foreign Affairs to hope at present for any solution along the lines of any of the three courses which he proposes for the present.

As however he has asked for advice and Serb-Croat-Slovene Minister has developed his proposals here I think it is necessary to make some reply. You should therefore inform Serb-Croat-Slovene Minister for Foreign Affairs that I have carefully considered his proposals, but have reached with regret the conclusion that after all which has happened none of them would *now* meet with success. It is clear that the turn given by M. Nincic to his resignation and the subsequent press campaign in Yugoslavia have produced a most unfortunate impression in Rome and in my opinion the position is still too strained to admit of any definite negotiations. I would therefore suggest that His Excellency would be well advised to bide his time and meanwhile to prepare the ground curbing the hostile demonstrations in the press or public meetings against Italy. Much will depend on the impression produced by the new Serb-Croat-Slovene Minister at Rome and by the general attitude of the Serb-Croat-Slovene government but I hope and believe that if he adopts this line he will find that it will eventually be possible for him to approach Italian government with request for a frank discussion on the implications of the treaty, and that request will be favourably received. In any case he should not be in a hurry. Above all things he should exercise the greatest care not to give Italian government any further cause for offence and should secure effective control of Albanian refugees and prevent possibility of any incident.

You should make it clear that I have no desire to force my advice on him and only give it as he directly asked for it and in the firm conviction that this is the best method of promoting good relations between Belgrade and Rome.³ You should not on any account mention to him my communications with Signor Mussolini.

¹ No. 378.

² See No. 385, notes 3 and 8.

³ Mr. Kennard reported in his telegrams Nos. 7 and 8 of January 13 that he had spoken accordingly to M. Peritch who expressed his thanks for the advice given. Mr. Kennard further reported in Belgrade despatch No. 18 of January 14 that the Italian Ministry of Foreign Affairs had informed M. Baloudjitch that the declaration by General Bodrero referred to in No. 378 had not been authorized and that 'the Italian Government were not prepared to make such a declaration'. Cf. *I Documenti Diplomatici Italiani*, Settima Serie, vol. iv, p. 451.

Similar advice will be given to Serb-Croat-Slovene Minister.

Addressed to Belgrade. Repeated to Rome No. 6, Durazzo No. 2 and Paris (by bag) No. 4.⁴

⁴ On January 27 Sir A. Chamberlain informed Lord Crewe in Foreign Office despatch No. 259 to Paris that M. de Fleuriau had 'tentatively suggested that I might use my influence at Rome to secure explanations that would allay the anxieties of the Yugoslavs'. In informing M. de Fleuriau of the gist of No. 385 and the present document Sir A. Chamberlain added that he was 'convinced' that he 'could not usefully do anything further at the present moment'.

No. 389

Sir A. Chamberlain to the Marquess of Crewe (Paris)

No. 5 Telegraphic: by bag [C 322/11/18]

FOREIGN OFFICE, *January 11, 1927*

Your telegram No. 427¹ section 1 (of the 29th December. Negotiations regarding war material in Germany).

We seem to be in danger of allowing the negotiations regarding war material to drift, and it is clearly high time that they were transferred to Paris. I doubted at the time the wisdom of the Conference's decision to give the Control Commission one week in which to negotiate possible adjustments with the German authorities, and feared that it might merely mean wasting precious days. My fears have been justified as a fortnight has now passed and no progress of any kind has been reported from Berlin. There now remain only three weeks in which to get agreement before the question is referred to the League, and you are well aware of the reasons why it is desirable to avoid that eventuality.

I am convinced that we shall never get to grips with the question until the negotiations are transferred to Paris, and I request that you will therefore approach the French government urgently to that end and insist that the German representatives be at once invited to resume the discussions in Paris at as early a date as possible. I observe from your despatch No. 36² (of the 6th January) that the French are apparently disinteresting themselves in this question. This is all the more reason for your taking the matter up with them with the utmost firmness.

¹ No. 375.

² No. 383.

*The Marquess of Crewe (Paris) to Sir A. Chamberlain
(Received January 12, 8.30 a.m.)*

No. 7 Telegraphic: by bag [C 315/11/18]

Disarmament

PARIS, January 11, 1927

The German negotiators, General von Pawelsz and Dr. Forster, accompanied by Captain Doberg, returned to Paris on Sunday¹ night. They were

¹ January 9, 1927. On January 7, before their departure from Berlin, the three German negotiators and Dr. Clodius had lunched with General Wauchope, who stated in particular in his report to the War Office:

'After lunch, the discussion turned mainly on the question of the draft Law on War Material, and more especially on the two points: special tools and half-wrought articles.

'Dr. Forster stated that the German Government could make no further concession, as their industrialists knew that the highest German legal opinion supported the point of view of their Government and would make the passage through the Reichstag of such a law as we demanded impossible.

'I replied that we had made many and great concessions, more especially at Geneva, and therefore I had hoped that the German Government would accept our standpoint on the question of special tools.

'Dr. Forster answered at some length that their lawyers considered that the wording of the Treaty [of Versailles] justified the German point of view. I said that the eleventh hour was not the time for repeating old phrases, or for both British and Germans to say that no concession was possible: we each of us must realise the other's difficulties, and it was our task today to try and find something new which would offer a possible solution.

'I explained that we did not look upon this as an industrial but as a purely military question: that our difficulty was that we could not allow Germany to attain a position in which she would be able to re-arm the nation with great rapidity on mobilisation, and the free export and import of special tools would place her in such a position.

'Their reply was remarkable—

'The interests of England, they said, has [*sic*] always been to maintain the balance of power.

'Should there be a future war, then any limitation of Germany's capacity for rapid mobilisation would be of direct benefit to France.

'But France was at present the stronger power, and it was therefore contrary to the best policy for England to limit German's capacity to arm.

'I lay low and kept on saying nothing. But I thought to myself what about their former assertion that the only objection to our demand was the ruin of German industrialists? So in 1927 shall we all

Ring out the old, ring in the new,
Ring out the false, ring in the true?

Perierunt arma bellica [weapons of war have been destroyed]

'I subscribe to that prayer, though when it is uttered by German delegates in Geneva, I fear the echo of that cry is at present faintly heard in Prussia. But that England should assent to the draft Law in order to enable Germany to check any future aggressions of France by force of arms, is an argument that had not before occurred to my slow, ingenuous mind.

'Later I said we were not here to discuss foreign policy, but my duty as British representative on the Commission of Control was to limit Germany's capacity for arming herself rapidly in case of a future mobilisation. I asked them, therefore, to accept the fact that the British Government was determined, within the limits set by the Treaty of Versailles, to

received yesterday by Monsieur Cambon, President of the Ambassadors' Conference and by the Secretary General, Monsieur Massigli. A record of the conversation between the latter and Dr. Forster is enclosed in my despatch No. 73² of the 11th instant. It will be observed that the German Government are said to be ready to give the special guarantees regarding the accumulation of stocks and that no proposals were put forward regarding the question of the Eastern fortifications.

2. In telephonic communication with this Embassy this morning, Dr. Forster made a statement similar to that described in paragraph 2 of Section 1: Matériel [*sic*] de Guerre, of the enclosure to my despatch referred to above.

3. Dr. Forster said that the German Government were determined to make every effort to reach a settlement of the outstanding points regarding war material. The Control Commission were, however, taking the line that it was not possible for them to abate anything from the terms of the 'avis' of the Versailles Committee adopted by the Ambassadors' Conference on December 29th (see my telegram No. 427³). Dr. Forster felt sure that if the Conference were to decide to give the Control Commission a little latitude to depart from the exact letter of the terms of the 'avis', it was almost certain that an agreement would be reached. Could not, therefore, instructions in that sense be transmitted urgently to the Control Commission and a little

prevent the possibility of such rapid re-armament by Germany, and added that the Commission's Note [in execution of the instruction cited in note 4 below] on the draft Law was the Allied standpoint.

'I asked: if it were impossible to pass such a law through the Reichstag as would prevent the rapid re-armament of Germany, could they suggest any other means in order to give satisfaction to the British Government's standpoint.

'The German representatives then said that no guarantee could be given that it would be possible to insert what we required in the Law.

'As the date for the withdrawal of the Commission is now fixed, I said that it was useless to sit and look at our respective papers and we should search for some new way out of the impasse. "And each sat silent, each upon his guard". I then put forward the idea that possibly a formula might be found for insertion in the Law which would not interfere so greatly with export (which does not directly interest us, because the British Government and all the Allies view this question from a military and not from a commercial standpoint) but which yet would prevent the preparation of plans of manufacture, etc., and that note might be taken of the distinction between authorised and unauthorised factories.

'Dr. Forster agreed that something might be achieved on these lines, and he would certainly discuss this possible solution with General Clive as soon as he arrived in Paris.

'Both he and Dr. Clodius said that until today they had seen no way out of the impasse on this point, as neither Government would give way, but that my suggestion may lead to something being agreed to without serious injury to German industry.

'But I emphasised the fact that if anything could be done it necessitated the German Government putting forward proposals in writing, and that these proposals must not run counter to the Allied determination that the Law on Export and Import of War Material must be so worded as to preclude facilities for a rapid increase in the output of German armament.'

² This covering despatch is not preserved in Foreign Office archives. The substance of Dr. Forster's remarks on the eastern fortifications and on war material is indicated below.

³ No. 375.

more time allowed for negotiations at Berlin before the discussion of this particular matter were definitely transferred to Paris.

4. Dr. Forster was informed that his remarks would be communicated to the British representative on the Versailles Committee and that any proposal with the object of hastening an early solution of the existing difficulties would doubtless receive all the attention it deserved.

5. As a matter of fact I would remind you that it was decided at the meeting of the Ambassadors' Conference on December 29th that the Control Commission should be empowered to negotiate with the German Authorities as regards the military clauses of the 'avis'. This was made clear in the letter in which the 'avis' was transmitted to the Control Commission by the Versailles Committee (see last enclosure to my despatch No. 45⁴ of January 7th). The latest information in the possession of the Quai d'Orsay is, however, that the Control Commission has to-day 'repris contact' verbally with the German Government and that the latter is again in negotiation with the German Industrialists and hopes to receive their views by Thursday next.

6. Monsieur Massigli informed a member of my staff that an interview took place this evening between General von Pawelsz and General Baratier of the Versailles Committee on the subject of the Eastern fortifications. To a question regarding the nature of his instructions General von Pawelsz replied that he had his instructions but would not indicate what they were until the allied proposals had been formulated. When General Baratier pointed out that it was not from the allied side that proposals regarding this matter were to emanate, General von Pawelsz made vague references to statements alleged to have been made at Geneva in December. Monsieur Massigli proposes to interview General von Pawelsz to-morrow morning and to make clear to him the very unfavourable impressions which has [*sic*] been caused by his remarks.

The French press, not excluding the 'Oeuvre', to-day devotes considerable attention to the question of the Eastern fortifications.

⁴ This covering despatch is not preserved in Foreign Office archives. The letter of December 30, 1926, from Marshal Foch to General Walch stated in particular as regards the decision taken by the Conference of Ambassadors (see No. 375 (1)): 'Je vous prie de vouloir bien porter cette décision sans retard à la connaissance du Gouvernement allemand et d'en poursuivre l'exécution près de ce Gouvernement afin de hâter la solution des points en suspens.'

No. 391

Sir R. Lindsay (Berlin) to Sir A. Chamberlain (Received January 12, 9.15 p.m.)
No. 2 Telegraphic [C 353/11/18]

BERLIN, *January 12, 1927, 8.18 p.m.*

General Wauchope has shown me Marshal Foch's letter of January 5th containing instructions to control commission as to functions of the five technical experts.¹

¹ No. 382.

Last line of [*sic*] paragraphs 5 and 6 of Marshal Foch's letter recommend co-ordination of their work and joint signature of their communications to German government, while wording of last paragraph lays down that control commission's report should contain indications to enable experts to 'substitute themselves entirely for control commission' in the task of supervising execution of outstanding points.

I agree with General Wauchope that these instructions are not only too vague and perhaps self-contradictory but also incompatible with spirit of Geneva agreement when German protest against these experts constituting a 'collège' met with no opposition.

There appears to me to be danger that efficacy of experts will be compromised and charge of bad faith incurred if greatest care is not taken in defining precise functions of experts and in issuing to them instructions which are in strict conformity with spirit as well as letter of Geneva agreement.

Addressed to Foreign Office No. 2. Repeated to Paris No. 1.

No. 392

Sir A. Chamberlain to Sir R. Lindsay (Berlin)

No. 62 [C 180/11/18]

FOREIGN OFFICE, *January 12, 1927*

Sir,

You will observe from Lord Crewe's despatch No. 36¹ of the 6th January, a copy of which was transmitted to you under cover of my despatch No. 57² of the 11th January, that public opinion in France is clearly growing restless at the apparent lack of response on the German side to M. Briand's policy of appeasement. The occasion presents itself to express to you the anxieties which have been growing in my own mind for some weeks past on these very grounds, and I must confess that the growing irritation of the French public seems to me not without justification. If, indeed, the average Frenchman asks himself what practical benefits have hitherto accrued to France since the Locarno treaties were initialled fifteen months ago, he must be hard put to it to find the answer. On every side he will see concessions to Germany, but every concession has only been met by further demands, accompanied by a total failure to perceive that a policy of *rapprochement* entails acts of conciliation on both sides.

2. A few examples may not be out of place. Your Excellency will recollect that during the discussions at Geneva last month respecting German disarmament, one of the points to which M. Briand attached great importance was that new proposals should be made by the German Government with a view to reaching agreement on the two outstanding questions of war material and the eastern fortification[s]. It was, indeed, by this idea of new proposals that M. Briand chiefly justified fixing a date for the termination

¹ No. 383.

² Not preserved in Foreign Office archives.

of Allied control. Yet a full month has now passed since I signed the arrangement of the 12th December, and nothing in the nature of a new proposal has emanated from the German side on either of the outstanding questions. Dr. Forster did, indeed, make a tentative suggestion to M. Massigli on the 20th December regarding the fortifications question (see Paris despatch No. 2440³ of the 21st December), but that, as I pointed out in my despatch to Lord Crewe, No. 3547⁴ of the 23rd December, in no way constituted an advance; nor has even that proposal been since put forward officially.

3. For my own part, too, I am disturbed by Dr. Stresemann's singular dilatoriness, to say the least, over the question of war material. He informed the assembled representatives of the five Powers at the meeting held in Geneva on the morning of the 12th December that the German Government were prepared to give the most precise guarantees against the accumulation of stocks of war material.⁵ Nevertheless, they have hitherto made no move subsequent to their draft law of the 3rd December; that does, indeed, contain a clause prohibiting the storage of certain articles for utilisation in Germany, but the clause in question is not considered sufficient by the ex-Allied military authorities, and was, in any case, submitted prior to the date of Dr. Stresemann's assurances in Geneva. To implement his promise, Dr. Stresemann should immediately cause further proposals to be put forward containing more satisfactory guarantees.

4. Meanwhile there only remain three brief weeks in which to reach agreement on these two outstanding questions, failing which they are to be referred to the Council of the League. During the conversations at Geneva Dr. Stresemann appeared fully to share the hope expressed by all the representatives present that recourse to the Council would not prove necessary, and that the difficulties would be overcome by friendly discussion. Nevertheless, he has as yet made no effort to facilitate an amicable solution of either question.

5. Further examples of the same spirit are to be found in the Rhineland. The recent trial of Lieutenant Rouzier and his assailants furnishes an instance. Be it granted that the verdict of the French court was unfortunate, yet it is equally obvious that every obstacle was placed in the way of a conciliatory gesture on M. Briand's side by the exaggerated vilifications of the German press. It was, indeed, an act of rare political courage on M. Briand's part to pardon the six condemned Germans and so give the appearance to his own countrymen of yielding to such German pressure. Was it wise, either on a short view or on a long view, to have placed M. Briand in such a position?

6. This leads to the consideration of the larger problem of how long the occupation is still to be continued, and the question that I ask myself is whether the German Government are going the right way to obtain the earlier evacuation of the two remaining zones, which they so greatly desire. Frankly, I doubt it, and my doubts disturb me the more because it is, as you are aware, the considered policy of His Majesty's Government to do all in

³ No. 367.

⁴ No. 371.

⁵ See No. 355.

their power to facilitate such evacuation. But this object is not advanced by the continual declarations by Ministers of the Reich that the occupation has no further moral justification now that Germany is a member of the League of Nations and the Locarno treaties are in force. The argument has, indeed, this logical basis, that what chiefly inspired the authors of the Locarno treaties was the hope that they would be followed by general appeasement and reconciliation between the former enemies on both sides of the Rhine, and that one result of such reconciliation might be the evacuation of German soil by foreign troops. But, as I have so many times endeavoured to impress upon Dr. Stresemann, the only possible basis of reconciliation, i.e., of the Locarno spirit, is mutuality, and this cannot exist so long as one of the parties sees in it merely the opportunity to exact concessions from the other and gives nothing in return; and that is precisely the spirit in which the German Government have approached, or at any rate have given the appearance of approaching, every problem during the last fifteen months.

7. I request that you will take an early opportunity to speak to Dr. Stresemann with the utmost seriousness on the above lines, and to inform him that I see with anxiety many indications of a growing restlessness in France against M. Briand's policy, and that I am gravely disturbed lest a more intractable spirit should be met with in future unless M. Briand can show the French public some tangible proof of practical benefits accruing to France from his policy of reconciliation. It is difficult even for Englishmen to preserve their faith in the wisdom and ultimate success of the policy which we have pursued since Locarno when they see no recognition on the part of the German people of the magnitude of the concessions which have been made, and no response in a more friendly attitude on their part, but only a continuous and clamorous demand for further relief, as if each new concession served only to whet their insatiable appetite. To my mind, Dr. Stresemann does not sufficiently realise the value both to Germany and to Europe in general of M. Briand's presence at the Quai d'Orsay. I hesitate to think what repercussions his fall might have on the trend of events in Europe if it were brought about by the unfortunate circumstances that I sometimes foresee. From Dr. Stresemann's particular point of view, the first result would clearly be the indefinite postponement of any idea of premature evacuation of the occupied territory, and probably also a succession of demands for investigations by the League into German delinquencies under the military clauses of the treaty.⁶

8. In this latter connection you might well give Dr. Stresemann a hint of the anxiety with which foreign countries have learnt of the recent revelations respecting the recruiting of the Reichswehr through Nationalist societies.⁷ Dr. Stresemann may contend that this is an internal question merely affecting Germany herself, and I am ready to admit that the first aim of these societies is probably to overthrow the republican régime. But the question has its international side as well, and Dr. Stresemann must surely perceive

⁶ Of Versailles.

⁷ See No. 376, note 2.

that the nations who were fighting for their lives against the German army less than ten years ago cannot remain indifferent when they see the old Nationalist forces attempting, with apparent success, to recapture the Reichswehr and to make it once more a willing instrument of their nefarious designs.

I am, &c.,

For the S[ecretary] of S[tate]

A. FRANCIS AVELING

No. 393

Sir A. Chamberlain to Mr. Roberts (Warsaw)

No. 15 [C 352/91/18]

FOREIGN OFFICE, *January 12, 1927*

Sir,

M. Skirmunt expressed to me to-day the hope of the Polish Government that, in the conversations now about to be carried on in Paris on the two questions of disarmament which still remained to be settled, we should continue to insist that the new works at Königsberg and the other eastern fortresses should be destroyed, and that nothing of the kind should be allowed in future.

I told M. Skirmunt that, in our conversations with the Germans at Geneva, I had maintained the view that any addition to the strength of the fortifications was an infringement of the treaty¹ in its most absolute form, but I did not in my own mind exclude the idea of some concession if the Germans came forward with really serious propositions and with a sincere desire to find a solution. France and Great Britain had shown their friendship for Poland and, though I did not exclude all idea of compromise, he might rest assured that the two Governments would not be parties to a solution which menaced the security of Poland.

In stating his case, M. Skirmunt dwelt not so much on the actual menace constituted by the fortresses as on the state of mind which they revealed and the political and moral reactions of such warlike preparations, which seemed to the Polish people to indicate that Germany still intended at some future time to attack Poland and endeavour to recover by force a portion of Silesia and the Polish Corridor. In this connection he told me of a conversation which had passed between M. Zaleski and Herr von Schubert at Geneva. They were discussing the proposed Commercial Treaty which has been so long in course of negotiation, and when they appeared to have found a solution of some difficulties which had hitherto been insuperable,² M. Zaleski expressed the hope that this might lead to a better feeling between

¹ Of Versailles.

² In Warsaw despatch No. 22 of January 12 Mr. Roberts reported that M. Diamand, the prominent Polish Socialist deputy who had acted as an unofficial observer of these commercial negotiations, had recently admitted in conversation with a member of the staff of H.M. Legation that the greater part of the blame for the delay in concluding these negotiations lay with Polish officials.

the two countries. According to a confidential account of the conversation sent by M. Zaleski to M. Skirmunt, Herr von Schubert had replied that no improvement in their relations could be expected until Poland had agreed to restore the Corridor and a part of Silesia. M. Zaleski had firmly repelled this idea, and the conversation had then passed to other matters.

It is regrettable that Herr von Schubert should have used such language. It is not to be expected that the present generation of Germans will abandon their hope that, at some time, a rearrangement of their eastern frontiers may become possible, but the insistence on this hope in such a manner can only retard such a solution, if, indeed, it be ever possible. I suppose that it is this conversation which inspired a speech of M. Zaleski's which was reported in the English papers a day or two ago, and in which he stated emphatically that Poland would never consent to concede an inch of her territory.³ At the time that I read it I wondered why M. Zaleski had thought it wise or necessary to make such a declaration at this moment.

Having in mind the distinction which M. Briand had drawn in the Geneva conversations between offensive and defensive works, I told M. Skirmunt that, as regards the intention with which the Königsberg works had been executed, he must realise how profoundly Germany's situation had been changed by her defeat and how much the change had affected the German outlook. Setting aside for the moment the question whether these works were or were not contrary to the treaty, I believed that the German reason for constructing them was primarily defensive and not offensive, for if Poland had her anxieties about Germany's intentions, it was equally true that Germany feared the possibility and the results of a Polish attack. I had had a curious illustration of the reality and the extent of these fears in a chance remark of Dr. Stresemann's when talking to me on quite a different subject.⁴ The conversation was of so personal and confidential a character that I could give M. Skirmunt no further indication of what was said, but the interest of the observation for me had been that it was no part of an argument in defence of German policy and was not in any way related to the question of the fortresses. We were discussing internal conditions in Germany and Dr. Stresemann's own position when the remark slipped out in a parenthesis. The circumstances thus precluded the idea that it was premeditated or that it was intended as a justification for what Germany had done in this matter, and made it evident that the fear of which he spoke was genuinely entertained in circles in Germany where I had not expected to find it. The fact was that, as far as my experience went, wherever there was fear on the one side there was always a corresponding fear upon the other.

M. Skirmunt throughout the conversation dwelt upon the peaceful character of Polish policy. In this matter he said all Poles were agreed from Marshal Pilsudski downwards.

I am, &c.,

AUSTEN CHAMBERLAIN

³ For a report on this speech, which was delivered at Warsaw on January 9, 1927, see *The Times* of January 11, 1927, p. 13.

⁴ See No. 327.

The Marquess of Crewe (Paris) to Sir A. Chamberlain
(Received January 14, 8.30 a.m.)

No. 9 Telegraphic: by bag [C 377/11/18]

PARIS, January 13, 1927

Your telegram No. 5¹ of January 12th [11th]. Disarmament.

2. General von Pawelsz and Dr. Forster had an interview last night with Major Sherbrooke and Mr. Perowne. The conversation, which lasted for nearly two hours, was of a somewhat unsatisfactory nature.

3. The question of the Eastern fortifications was first discussed but the German representatives would not put forward any concrete proposals and the matter then dropped. The question of the negotiations regarding war material was then treated at great length but no definite information as to the present position was elicited from General von Pawelsz or Dr. Forster.

4. Finally, however, Dr. Forster agreed that the following correctly described the wishes of the German government as to the procedure to be followed in regard to these two questions:—

(1) As regards war material, Dr. Forster indicated that the German government wished the negotiations to continue in Berlin for the present but with a freer hand for the control commission. The discussion might be transferred to Paris at some later date or stage—precisely what, he refused to specify. Dr. Forster further said that the German proposals regarding the accumulation of stocks would also be put forward in Berlin.

(2) With regard to the question of the Eastern fortifications, General von Pawelsz said that, leaving on one side the juridical aspect of the question, he was anxious to reach a solution in principle which would cover both the past and the future. The negotiations would continue in Paris. After placing himself in touch with the individual members of the Versailles Committee he proposed to submit suggestions semi-officially to an informal meeting of the Versailles Committee,² after which conversations could continue until sufficient agreement appeared to exist for it to be possible to submit definite official proposals. The matter could then be dealt with finally by the Ambassadors' Conference.

5. A copy of the note which I have caused to be addressed to the Ambassadors' Conference suggesting an early transfer to Paris of the negotiations regarding the question of war material is enclosed in my despatch No. 101.³ The Versailles Committee have meanwhile been requested informally to

¹ No. 389.

² Lord Crewe further reported in Paris telegram No. 10 of January 13 that he had learnt that these semi-official proposals would be submitted on January 14.

³ Not printed. The enclosed note, No. 28 of January 13, was in fulfilment of instructions sent to Paris in Foreign Office telegram No. 6 of January 12. This telegram further stated that Sir A. Chamberlain was not clear that the instructions to the Control Commission (see No. 390, note 4) had given the Commission any latitude to negotiate with the German Government.

invite the control commission urgently to report the present position now existing as regards each outstanding point as a result of the negotiations which have been proceeding in Berlin. I understand that a telegram in this sense has now actually been despatched to General Walch.

No. 395

Letter from Sir A. Chamberlain to Sir R. Lindsay (Berlin)

[F.O. 800/260]

Private

January 13, 1927

My dear Lindsay,

After sending my despatch No. 62¹ of January 12th, my attention was drawn to a quotation in one of Kilmarnock's letters to a message from the Cologne correspondent of the 'Manchester Guardian' in the issue of that paper of January 5th.² I enclose the extract.³ It has reminded me of a point which I had intended to make in the despatch. No one can follow what is happening in Germany without seeing that there is a determined effort of propaganda directed against the occupation. You know the 'Manchester Guardian' and the position it occupies in English political thought. No paper has adopted a more liberal attitude towards Germany; no paper is further removed from whatever English equivalent there is to the Nationalist Party of Germany. A protest of this kind in their columns is therefore doubly significant, and it emphasises the folly of this kind of agitation which is in fact a reversion to the policy of ill-will and aggravation which preceded Locarno, which led to the occupation of the Ruhr and which was dragging all our countries down deeper and deeper into the slough.

I thought that we were agreed at Locarno that this sort of thing should cease and there were at first some very hopeful signs. I recall, for instance, one incident in the Rhineland which was followed by a joint appeal of the Reichskommissar and the High Commission for peace and goodwill and mutual restraint and forbearance.⁴ The German Press has now swung right over again. Cannot Stresemann make his people see the folly of this propaganda? It creates reactions in France and here which have the very opposite effect to that which is intended. It offers one more illustration of the fatal

¹ No. 392.

² The reference was to Coblenz despatch No. 5 of January 7 reporting on an incident at Wörsdorf on December 24, 1926, in which two British soldiers from the garrison at Idstein were involved: cf. *The Times* of December 30, 1926, p. 9. Lord Kilmarnock's citation from the *Manchester Guardian* read as follows. 'It is much to be regretted that the German Press insists in giving the utmost publicity to incidents between soldiers of the Occupation Army and inhabitants, which, although perhaps unpleasant, are generally trivial. The smallest public-house brawl is served up as another "incident".'

³ Not attached to filed copy.

⁴ Lord Kilmarnock had reported in Coblenz telegram No. 54 of October 5, 1926, that this appeal had been made in view of the incident at Germersheim involving Lieutenant Rouzier: cf. No. 383, note 2.

inability of the Germans to appreciate the psychology of other nations or ever to foresee the results of their action. Their object is to shorten the occupation. The effect of what they do is to prolong it and to create a state of public opinion in which it becomes even impossible to discuss the question among the ex-Allies. Only yesterday I saw in the 'Times' that the Prussian Minister of the Interior speaking in Cologne had declared that the occupation was 'insupportable and bred a danger of serious conflict in an otherwise peaceable country', and the 'Times' continues: 'The Rhineland Press seizes on the occasion of Herr Grzesinski's visit to indulge in further propaganda against the Occupation. The *Kölnische Zeitung*, for example, goes so far as to allege that citizens in the French occupied area hardly dare to go out after dark, being completely intimidated'.

I had been turning over in my mind during the Christmas Holidays ways and means of approaching the French Government again about the Occupation. Some ideas had occurred to me which I thought might conceivably form the basis for a partial solution—at any rate for a further advance; but I have decided that it is impossible for me even to broach the question in present conditions or until the Germans show a clearer appreciation of the part which they must contribute to the work of pacification. Their conduct leads straight to the conclusion that it is the present object of this Press propaganda to create the incidents of which they complain. It must evidently be an incitement to any hot-headed or ill-balanced youths to seek the quarrels which are the necessary material for the campaign.

I may add that the failure of the German Government to produce the new proposals which were promised at Geneva and their apparent purpose of wasting time until the 31st January is upon us produces the worst impression on my mind. I am driven back again upon the reflection which I once before made to the German Ambassador that of all peoples the Germans are the most difficult to help.

Yours sincerely
AUSTEN CHAMBERLAIN

No. 396

Letter from Mr. Perowne (Paris) to Mr. Troutbeck

[C 413/11/18]

PARIS, *January 13, 1927*

My dear Trouters,

Your letter C. 217/11/18 of January 8th¹ and Berlin telegram No. 2² of January 12 about the instructions sent to the Control Commission regarding the procedure which the Allied experts should adopt in order to carry out the duties laid down by article 5 of the International Agreement of December 12 after the withdrawal of the Control Commission in Berlin. A copy of the

¹ Not printed. This letter requested Mr. Perowne to send officially to the Foreign Office copies of the instructions to General Walch in No. 382.

² No. 391.

letter which the Versailles Committee actually sent to General Walch regarding this question was enclosed in our despatch No. 85³ of January 12th. You will see that this letter differs totally from that which we thought it had been agreed to send off. The French displayed considerable reluctance in producing copies of this letter, perhaps naturally. General Baratier has, however, expressed his contrition to Sherbrooke and announced his willingness to send anything further to Berlin in any sense we desire. See S's letter to McGrath of Jan. 13th.⁴

In these circumstances I have had the enclosed draft prepared which, as you will see, represents the original French *projet de lettre* as amended, firstly by the British alternative draft of paragraphs 4-7, and secondly by the corrections mentioned in my letter to you of January 5th (1/12/1927).⁵

Sherbrooke is to see Baratier on this subject tomorrow and it occurred to me that perhaps the best course would be to present the Frenchman with such a version of a letter about the experts as we should wish to see sent to General Walch. In order to avoid the difficulties arising out of the fact that the Versailles Committee has no status vis-à-vis the German Government, we could perhaps alter the phrase in paragraph 4 to 'toute communication . . .⁶ sera faite au nom de la Conférence des Ambassadeurs' instead of 'Comité [*sic*] de Versailles'.

If you and the War Office agree to this draft being presented to Baratier as the British version, perhaps you would be good enough to let me have a ring on the telephone tomorrow morning.

Sherbrooke, however, says that he has received a copy of a letter from Wauchope (H.Q.Misc./77G) of January 12,⁴ from which it appears that the enclosed form of words may not perhaps meet with the entire approval of our home authorities; but you could perhaps let me know exactly what we are to put up as the British draft when you telephone to me in the morning.

Yrs ever

VICTOR PEROWNE

This has been a most hectic day but you will see from our tels.⁷ that we have got a move on ab[ou]t both war material and fortifications.

³ See No. 382, note 1.

⁴ This letter is untraced in Foreign Office archives.

⁵ The enclosure is not printed: cf. No. 381 and notes 2 and 3 thereto.

⁶ Punctuation as in original quotation.

⁷ See No. 394 and note 2 thereto.

No. 397

Sir A. Chamberlain to the Marquess of Crewe (Paris)

No. 7 Telegraphic: by bag [C 353/11/18]

FOREIGN OFFICE, *January 14, 1927, 3.40 p.m.*

Berlin telegram No. 2¹ and your despatch No. 85² (of the 12th January. Instructions to General Walch regarding military experts in Berlin).

¹ No. 391.

² See No. 382, note 1.

It is difficult to understand why the instructions to General Walch as finally drafted totally disregard our views in the two following respects:—

(1) All reference is omitted to the point that communications made by the experts to the German authorities are to be made in name of the Versailles Committee and that each expert will be responsible to his national member on the Versailles Committee. The French accepted this point in principle when we suggested it and even produced a form of words to express it (see Mr. Perowne's letter of the 5th January³).

(2) The instructions retain in the last paragraph the objectionable passage about permitting the experts to substitute themselves entirely for the Control Commission which was specifically omitted from our counter draft.⁴

Please inform the French government and the other representatives on the Ambassadors' Conference that we cannot accept the instructions as they stand and must insist on their being recast so as to make good the above points.

Addressed to Paris by bag. Repeated to Berlin No. 2.

³ No. 381.

⁴ See No. 381, note 3.

No. 398

Sir A. Chamberlain to the Marquess of Crewe (Paris)

No. 8 Telegraphic: by bag [C 378/11/18]

FOREIGN OFFICE, *January 14, 1927, 7 p.m.*

Your telegram No. 9¹ (of the 13th January: German disarmament).

We are quite clear in our own minds that the only hope of reaching a settlement on the war material question before the 31st January is that official negotiations should start without further delay in Paris. Little progress seems to be being made in the unofficial conversations at present proceeding with Dr. Forster and General von Pawelsz, and it is merely wasting precious days to give the Control Commission any further time in which to settle matters in Berlin. The decisions of the ex-Allied government[s] on each point can only be taken in Paris, and, so far as we can see the only result of the arrangement of December 29th by which the Control Commission was to be given a week to settle as much as they could, has been confusion and waste of time. Moreover it was clearly stated in the agreement at Geneva of December 12th² that the diplomatic discussions *should be continued before the Ambassadors' Conference*. This naturally would not preclude both sides from bringing to Paris all the experts they require; indeed we should certainly hope to have the German experts on the spot.

Please urge that the Ambassadors' Conference should immediately invite the German government officially to resume on some definite date (say the 19th January) the diplomatic discussions in Paris as contemplated in paragraph 1 of the arrangement of December 12th.

¹ No. 394.

² See Annex to No. 355.

It will probably be well to inform Dr. Forster what we are proposing and of our reasons for it. This however I leave to your judgment.

Repeated to Berlin No. 3.

No. 399

Sir A. Chamberlain to Mr. Addison¹ (Berlin)

No. 4 Telegraphic [C 378/11/18]

FOREIGN OFFICE, *January 14, 1927, 7.30 p.m.*

My telegram to Paris No. 8² (of January 14th: German disarmament).

Please express strong hope to German Government that they will not raise further difficulties to immediate transfer of negotiations to Paris, where we are convinced greater progress will be possible than at Berlin. You should point out that Geneva arrangement laid down that negotiations should be continued before Conference of Ambassadors and say that in our view this procedure is much more likely to lead to settlement before January 31st which we are confident German Government desire as much as we.

Repeated to Paris No. 9, by bag.

¹ Mr. Addison was about to take charge of H.M. Embassy during Sir R. Lindsay's absence on leave.

² No. 398.

No. 400

Sir R. Lindsay (Berlin) to Sir A. Chamberlain (Received January 18)

No. 22 [C 538/11/18]

BERLIN, *January 14, 1927*

Sir,

I have the honour to acknowledge your despatch No. 62¹ (C 180/11/18) of the 12th instant, received this morning, and instructing me to make representations to the German Government on the lack of response in general shown by them to the Anglo-French policy of appeasement and on the danger that may ensue from their attitude.

2. I met Dr Stresemann at a social gathering on the 12th instant when he told me that he was anxious that I should call on him the next day as he had disquieting reports from Paris about M. Briand's position. I said I would call on him, and I added 'You have been pressing too hard on your tool and it will break in your hand'. Dr Stresemann began a protest in his most strident tones, but we were interrupted, and the subject could not be pursued.

3. Owing to the interminable conversations attendant here on Cabinet building, I could not see Dr Stresemann till late this evening, but this morning I had occasion to call on Herr von Schubert about some current business. I had by then received and read through your despatch No. 62, now under

¹ No. 392.

reply, but without my having mentioned the subject matter of it, Herr von Schubert launched out into a long disquisition about M. Briand's position to which I listened with interest.

4. The burden of the Secretary of State's language was that for some time Herr von Hoesch's despatches from Paris had been depicting M. Briand's position as one of grave peril. In the cabinet the opposition to him of Monsieur Poincaré, Monsieur Marin and others was increasingly serious—he was the object of a violent press campaign, and there was serious danger of his falling. He had asked the French Ambassador here about it only two days ago and Monsieur de Margerie had answered that Monsieur Briand had never been in a better position, and yet, in view of the reports reaching the Wilhelmstrasse from Paris, he could not help feeling nervous; for, I must understand, the German Government appreciated most highly the conciliatory character of Monsieur Briand's policy, they would regard his fall as most unfortunate, and they were most anxious that it should not come about. With that object in view they were straining every nerve to bring about a satisfactory solution of the two outstanding control questions (war material and Königsberg fortifications) and in respect of the former were having great difficulties not merely with other Government departments, but also with the industrialists; indeed that very afternoon there was to be a meeting of industrialists with Dr Stresemann at which he earnestly hoped a satisfactory solution would be reached.

5. I said I was much interested in his language as I had only just myself received a despatch from you, which I had not yet properly mastered, but of which I gave him the purport in a few words. I said I thought it was the German Government's attitude which had brought Monsieur Briand to his present straits, and I begged him to warn Dr Stresemann of the representations I was to make to him later on in the day. I would also like him to suggest to the Minister from me that the time had come when discussions with the industrialists should cease and that instead of arguments they should receive a straightforward intimation that their petty material interests must give way in favour of the superior interests of the State.

6. In the afternoon I saw General Wauchope and learned from him that the general attitude of the Germans over the question of war material, which is being discussed in Berlin, had considerably improved in the last few days and that he thought now that there was quite a chance of an agreement being reached whose acceptance he would be able to recommend to the Comité Militaire Allié de Versailles.² This intelligence robbed your own remonstrance to the German Government of some of its force in respect of specific detail, though it by no means weakened it in its broader and more important aspects.

7. This evening therefore, I saw Dr Stresemann himself and in the course of a long conversation with him contrived to make to him every point,

² Sir R. Lindsay, in reporting the information in this paragraph in Berlin telegram No. 3 of January 14, added that he hoped the Allied Military Committee of Versailles 'will not insist on negotiations being transferred from here for next few days'.

I think, contained in your despatch under reply, though interrupted at every moment by the lively exclamations and voluble protests with which you yourself must be familiar.

8. As regards the question of war material he had never swerved from his intention of finding an issue to the question and hoped that a satisfactory solution might now be forthcoming; but his experience was that in all cases where a time limit was set, an actual agreement was not reached till the very last moment, and though in the present case he hoped the contrary, he hardly expected it. He had just seen the industrialists and he had told them straight out that in his view the interests of the State required that this matter be settled by agreement with the Ambassadors Conference and be not carried to arbitration, and they were quite disposed to be reasonable. He said that in this and in all control questions the German Authorities had been driven crazy by the mass of petty detail on which the Versailles Committee had required satisfaction. It had just been taking exception to the description contained, in a draft agreement, of certain officers as 'Staff Officers'. The German Staff as it existed under the Empire had of course been abolished, but in any army, even in the Reichswehr of to-day, something in the nature of a staff had to exist and the officers of it had to be described somehow. In the present instance the difficulty had been surmounted by a suggestion of the Reichspresident himself. Again, the Committee had lately asked for copies of all the books on military instruction issued to the Reichswehr, ignoring the fact that those which are not publicly on sale are of a confidential character and cannot fairly be asked for. I said that military control was necessarily a matter of infinite detail; it was easy to say that question A. or B. or C. were [was] of small importance, but if the whole alphabet was treated so, nothing was left at all.

9. On Rhineland questions, he agreed in part with your remarks about the Landau verdict,³ but this verdict had caused such feelings of indignation, which he himself had shared, that an outburst in the press was inevitable and not capable of being kept under. He had the utmost admiration for M. Briand's treatment of the case; he had had occasion to say, I think, to a Reichstag Commission that no other Minister would have had the courage to recommend a pardon to the condemned men without even waiting till they had asked for one. As to the utterances of Ministers about the Rhineland,³ he was always having battles with them and only in the last few days, in regard to the case referred to by you, he had been corresponding with Dr Bell and asking him who was Minister for Foreign Affairs of the Reich.

10. Then we came to talk about mutuality in the policy of conciliation. Dr Stresemann said he had thought over my remark to him of the day before yesterday and professed not to understand its point or what was now complained of. He spoke with, I think, justifiable pride of the courage of his own original proposals which beginning in 1923 had later paved the way to, and finally rendered possible the consummations of Locarno. His own political life had been aimed at with more bitterness and more often than

³ Cf. No. 383, note 2.

even Mussolini's physical existence. Germany had abandoned her hopes of recovering two great provinces, and yet German opinion had undergone in three years a change towards former enemies to which I could not but my predecessor would bear the most emphatic testimony. How could Germany be justly accused of any lack of response? I said that Locarno was a treaty which, admirable in itself, was still more admirable in that it gave equal satisfaction to all who signed it. Contrast it now with the agreement recently come to over disarmament. Twice before the Geneva meeting I had, on instructions from yourself, insisted with him that the German Government would have to make concessions in order to facilitate agreement by M. Briand.⁴ Instead of paying attention to this warning he had been content with nothing less than a 99 per cent success, and indeed in one question, that of police, had obtained 105 per cent⁵ (an allusion which did not escape Dr Stresemann's comprehension). No agreement could be really satisfactory which did not leave both parties happy, and one extorted by weakness could be nearly if not quite as bad as one dictated by force, so that, in so far as the infinitely great could be compared with the little, Versailles might be compared to Geneva. And with what result? Here we were both deploring the peril of M. Briand's present position, and he, Dr Stresemann, had brought it about. It was impossible to maintain that this was a wise policy, and if, as he suggested, his attitude was governed by the difficulties of his own position, then there was nothing to do but to throw up our hands in despair.

11. When we came to talk about the Reichswehr, Dr Stresemann said he could not understand how the French with their hundreds of thousands of men, their guns, gas, and aeroplanes, could have any apprehension with regard to Germany. I said that it was not to be wondered at if we remembered that they thought of the past and the future as well as of the present. The German Government had exerted itself to evade every possible measure of disarmament and military control—a fact that need not be wondered at but which could not be denied; there was to be seen on every side in Germany signs of the old soldierlike spirit; and it was currently reported that a favourite subject of discussion among Reichswehr officers was the next war which in three or four years from now was to bring Germany new victories. Herr Stresemann denied that there was any considerable military spirit even now left in Germany. In the old days when every man had to belong to the army, the whole nation was proud of it, but it was not so now. The Reichswehr with its long service, was not a popular national institution and was destined to become less so; nor was its corps of officers in the least bellicose; the last war was still too near. The former officer class, as a class, was doomed, and the tradition was broken. The sons were growing up and entering civil life, and the daughters were marrying merchants. A great change was taking place; fears were already unjustified and would become increasingly so.

12. I took the opportunity, when asking Dr Stresemann about the progress being made in Cabinet-building of remarking that if a Cabinet were

⁴ See Nos. 280 and 298.

⁵ See No. 368.

formed with any marked leanings to the Right it would greatly increase the existing irritation in France. In making this remark, I was basing myself on the general tone of your own despatch under reply and on the last sentence of Lord Crewe's telegram No. 4 of 4th January.⁶ I said that I personally would not feel much concerned at such an issue because I thought it would be a good thing that the German Nationals should as soon as possible have to accept Locarno and its implications in an unequivocal fashion, but the present moment would be a most unfortunate one to choose when the French position was so precarious and the effects on the question of Rhineland evacuation would be disastrous. Dr Stresemann agreed that the moment was bad, but though he had not yet heard the results of the Centrum's deliberations on the question of a coalition with the Right, he had no doubt that that decision would be unfavourable. In any case, if the coalition had been brought about, it would have been surrounded with every possible guarantee. Speaking in the interests of German foreign policy, he had required as conditions to be accepted by the German Nationals before entering the Government (1) unequivocal recognition not only of the Locarno but also of all other treaties signed by the Republican Government, (2) some sort of understanding that future Thoiry negotiations or negotiations for the evacuation of the Rhineland should be carried on on lines satisfactory to himself, (3) that any Nationalists admitted to the Cabinet should be moderate men, such as Professor Hoet[z]sch, (4) that guarantees should be given that the Nationalists if they once entered a coalition should adhere to it loyally, and (5) a recognition of the principle that office bearers of the Reich must not indulge in monarchist activities. But anyhow, he felt sure the idea of a Government including German Nationals would fail. He thought the present crisis might last another fortnight, and he expected it would end in the formation of a Cabinet nearly identical to the present one, which would receive from the Reichstag that vote of confidence which was so handsomely refused it on December 17th. Meanwhile he said, all was quiet and the country was pursuing its way, thinking only of stability and how to increase its balance at the savings bank. The only bad sign was that the country was too quiet. The petty party squabbles were disgusting people who ought to interest themselves in politics and were discrediting parliamentary government.⁷

I have, &c.,
R. C. LINDSAY

⁶ Not printed. This telegram reported in particular that M. Berthelot had that morning assured Mr. Phipps that 'M. Poincaré's one desire was to continue to work as heretofore with M. Briand' and that 'any serious opposition in the Cabinet to M. Briand's foreign policy was now confined to M. Marin'. Lord Crewe added, however, that well-informed journalists wrote openly of 'grave divergencies' between M. Briand and his colleagues, although such journalists were probably making the most of any divergencies. The telegram concluded: 'It goes without saying that any trend of German politics now towards the Right would weaken M. Briand's position.'

⁷ For an account by Dr. Stresemann of this conversation see *Gustav Stresemann, op. cit.*, vol. iii, p. 105.

No. 401

Letter from Mr. Troutbeck to Mr. Perowne (Paris)

[C 413/11/18]

FOREIGN OFFICE, *January 14, 1927*

Dear Victor,

This is merely in confirmation of our telephone message¹ of this morning. Our telegram No. 7,² which I read to you over the telephone, gives you the reply to most of the points raised in your letter of January 13th.³ All we have to add is: (1) it must be made clear that the instructions to General Walch of January 5th must be cancelled and new ones substituted in their place; (2) we agree to the words 'La Conférence des Ambassadeurs' being substituted for 'le Comité de Versailles' in paragraph 4 of the instructions;⁴ this will necessitate a similar alteration in paragraph 5; (3) we should like to see the words 'et par l'autorité de' added to paragraph 4 after the words 'au nom de'.⁴

For the rest we are satisfied with the draft instructions enclosed in your letter.

J. M. TROUTBECK

¹ Mr. Troutbeck's note of this message is not printed.

² No. 397.

³ No. 396.

⁴ Cf. the text cited in No. 396.

No. 402

Sir R. Lindsay (Berlin) to Sir A. Chamberlain

(Received January 15, 3.45 p.m.)

No. 4 Telegraphic [C 454/11/18]

BERLIN, *January 15, 1927, 2 p.m.*

Your telegram No. 4¹ has crossed my telegram No. 3.² German government have for some time been receiving reports from their embassy in Paris indicating that (? M. Briand's) position is severely shaken and that he is in danger of falling. This inspires them with alarm which I think is genuine and has brought about the more reasonable attitude noticeable recently here. I adhere therefore to the view expressed in my telegram No. 3 that we had better give commission here more time to negotiate on war material question especially as Clodius is more malleable than Forster.

I propose, therefore, to defer action on your telegram under reference until you have had time to weigh the situation in the light of above considerations and of General Wauchope's telegram to War Office of last night.³

Addressed to Foreign Office No. 4. Repeated to Paris No. 3.

¹ No. 399.

² See No. 400, note 2.

³ Untraced in Foreign Office archives.

No. 403

Sir A. Chamberlain to the Marquess of Crewe (Paris)

No. 13 Telegraphic: by telephone [C 412/11/18]

FOREIGN OFFICE, *January 15, 1927, 6 p.m.*

Berlin telegram No. 3¹ (of the 14th January. Negotiations regarding German war material).

In view of hope felt by General Wauchope that agreement on the draft law may be attained in Berlin, please hold up action on my telegram No. 8.² You should at the same time inform the Ambassadors' Conference immediately, with reference to your note to them No. 28 (your despatch No. 101)³ that in view of the more hopeful information which His Majesty's Government have now received from Berlin, they feel that it will be better to leave the negotiations regarding war material in the hands of the Control Commission for a further period; at the same time they think it important that it should be made clear both to the Control Commission and to the German Government that if the negotiations between the experts in Berlin do not reach a conclusion by January 24th, the question must then be transferred to Paris.

War Office concur.

Repeated to Berlin No. 6 immediate.

¹ See No. 400, note 2.

² No. 398. Sir R. Lindsay was similarly instructed, in Foreign Office telegram No. 5 to Berlin of January 15, in respect of No. 399.

³ See No. 394, note 3.

No. 404

Sir R. Lindsay (Berlin) to Sir A. Chamberlain

(Received January 15, 9.30 p.m.)

No. 5 Telegraphic [C 447/11/18]

BERLIN, *January 15, 1927, 8.10 p.m.*

Press this morning publishes a decree signed by President of Reich forbidding the Reichswehr in future to enrol temporary recruits or accept civilians for training in barracks or on training grounds. Preparation of reserve cadres or training of reserve officers is also strictly forbidden.

Simultaneous orders are published from Ministers for the Interior in Reich and Prussia instructing their subordinates to keep the patrol¹ associations under strict supervision where military training is concerned. Local organisations infringing existing legislation are to be disbanded.

These measures are presumably in execution of arrangements arrived at in Paris on questions of associations and illegal enlistments foreshadowed in enclosures to your despatch No. 1657.²

¹ In another text of this telegram this word read 'patriotic'.

² Not preserved in Foreign Office archives. This despatch of December 22, 1926, transmitted to Berlin draft notes to the German Ambassador in Paris regarding associations and illegal enlistments (cf. Nos. 434 and 435 for the final texts of these notes).

No. 405

*The Marquess of Crewe (Paris) to Sir A. Chamberlain
(Received January 17, 8.30 a.m.)*

No. 13 Telegraphic: by bag [C 448/11/18]

PARIS, January 15, 1927

Your telegram No. 13¹ of January 15th. War material negotiations.

A note in the sense of your telegram No. 13 was handed to the Quai d'Orsay [*sic*] this afternoon.

Official expressed satisfaction that His Majesty's Government were no longer pressing for immediate transfer to Paris of war material negotiations, but pointed out that date suggested for termination of negotiations at Berlin would leave very little time for completion of discussions here. He suggested January 1st (*sic* ? January 21st) as an alternative date for termination of discussions at Berlin, but promised considered views of French Government on Monday.²

¹ No. 403.

² January 17, 1927. On January 19 in Paris despatch No. 157 Lord Crewe reported that he had learnt that the French Government had decided to agree to the transfer to Paris on January 24 of the negotiations regarding war material.

No. 406

The Marquess of Crewe (Paris) to Sir A. Chamberlain (Received January 17)

No. 111 [C 425/11/18]

PARIS, January 15, 1927

His Majesty's representative at Paris presents his compliments to the Secretary of State for Foreign Affairs, and has the honour to transmit herewith copy of a note communicated by General von Pawelsz respecting the eastern fortifications of Germany.

ENCLOSURE IN No. 406

Copie Proposals communicated by General von Pawelsz¹

Dispositions pour le système des forteresses allemandes à la frontière est et à la frontière sud.

1. Le système des fortifications aux frontières est et sud de l'Allemagne sera maintenu dans l'état d'utilisabilité militaire qu'il possédait à la fin de la guerre.

2. L'Allemagne renonce à la construction de nouvelles forteresses, forts, ouvrages intermédiaires et batteries permanentes.

¹ These proposals were handed by General von Pawelsz to General Baratier on January 14.

3. L'Allemagne ne procédera à des constructions de remplacement que dans la zone des positions d'armement existant à la fin de la guerre et seulement dans les limites déterminées au No. 4.

4. En tenant compte de l'état actuel de la technique, il faut entendre par constructions de remplacement:

- (a) le remplacement d'installations ayant besoin d'une rénovation par des constructions correspondantes en ce qui concerne leur nature et leur importance.
- (b) le remplacement des positions d'armement nivelées par un squelette de petits abris en béton conformément aux plans de constructions communiqués.

No. 407

Letter from Mr. Perowne (Paris) to Mr. Troutbeck

[C 450/11/18]

PARIS, January 16, 1927

My dear Trouters,

Your telegram of January 14th¹ about the letter to the Control Commission on the subject of the duties of the experts.

Sherbrooke duly wrote to Baratier, sending him a copy of our new *projet*, and made it clear to him in conversation that we want this to be substituted for the original letter of January 5th² which must be withdrawn as laid down in your telegram No. 7.¹

It now appears that Foch has received a telegram from General Walch stating that the Control Commission's reply to the letter of January 5th was posted on Friday³ night at Berlin and contained certain proposals unanimously agreed to by the members of the Control Commission. In the circumstances we agreed that our *projet* need not be despatched until the Control Commission's letter referred to above has been received and been compared with our text to-morrow morning. Nothing of course will however be accepted without prior consultation with you.

¹ No. 397.

² No. 382.

³ January 14, 1927. The proposals in this letter were in general accordance with the draft prepared by the Allied Military Committee of Versailles, printed as enclosure 4 in No. 425, except that the Commission of Control proposed (a) as regards correspondence with the German Government: 'les Experts devront faire parvenir au Gouvernement Allemand des communications identiques, mais séparées, et ne portant que leur seule signature, d'autre part, qu'inversement, les communications du Gouvernement Allemand soient adressées simultanément à tous les Experts.'; (b) as regards payment of the experts: 'Il semble que ceux-ci, devant nécessairement, tout en inaugurant leurs nouvelles fonctions le 1er février, coopérer [*sic*] pendant tout ce mois à la rédaction du rapport final de la Commission, pourraient continuer à être payés par cette dernière jusqu'au 1er mars, date à laquelle leur entretien, ainsi que celui du secrétaire-archiviste à leur adjoindre, passeraient alors à la charge directe de leurs Gouvernements respectifs.'

I called on Massigli yesterday and gave him an account of the whole business. He said that this was the first he had heard of it, and I promised to write him a letter to-morrow explaining the whole story.⁴ This procedure has the sanction of the Ambassador. While it will leave no doubt in the mind of the French Government what our views really are on this subject, we feel that to write them an official note, which would have to be circulated to the other delegations on the Conference, might upset them too much, particularly now when it seems important that allied harmony should be maintained as much as possible. In any case, we will insist that the original letter of January 5th should be completely withdrawn.

I may add that Baratier told Sherbrooke that our 'alternative draft of paragraphs 4 to 7', as amended by the French suggestions,⁵ was sent to General Walch on January 5th at the same time as the official letter, but only for his private information and guidance.

Yrs. ever
VICTOR PEROWNE

⁴ This letter of January 17 is not printed.

⁵ See No. 381 and note 3 thereto.

No. 408

Sir A. Chamberlain to the Marquess of Crewe (Paris)

No. 16 Telegraphic: by bag [C 454/11/18]

FOREIGN OFFICE, *January 18, 1927*

Berlin telegram No. 4¹ (of the 15th January. Negotiations regarding German war material).

If Sir Ronald Lindsay is correct in his surmise that the German government are alarmed as to M. Briand's position, it may be possible to make some capital out of these German fears with a view to bringing the war material negotiations to a successful conclusion. But for this it is clearly necessary to convince the German government that the French are genuinely interested in the question, a fact which they probably doubt at the moment. Please therefore take an early opportunity to see M. Briand and beg him to give us greater assistance over this question. You should repeat to him the obvious assurance that our interests in the matter are purely military and impress upon him how important we feel it to be, from the point of view of France's own security, to obtain from the German government the guarantees which we desire.

Repeated to Berlin No. 9 (by bag).

¹ No. 402.

No. 409

The Marquess of Crewe (Paris) to Sir A. Chamberlain
(Received January 19, 8.30 a.m.)

No. 15 Telegraphic: by bag [C 552/11/18]

PARIS, January 18, 1927

My telegram No. 13¹ of January 15th. Disarmament negotiations.

2. The Versailles Committee considered the German semi-official proposals regarding the eastern fortifications² yesterday evening (see my despatch No. 134³ of today). It was decided that these proposals were inadequate and that General von Pawelsz should be invited to submit without delay others based on the findings of the Drafting Committee as approved by the Ambassadors' Conference on December 3rd last⁴ (see my despatch No. 134 of January 18th).⁵

¹ No. 405.

² See No. 406.

³ This covering despatch is not preserved in Foreign Office archives. The enclosed report by Major Sherbrooke on the meeting of the Versailles Committee, with annexed documents, is not printed. An annexed note of January 17 from General Baratier to General von Pawelsz stated in particular that the German proposals in No. 406 'ne constitue pas dans l'ensemble un progrès par rapport à la note datée du 9 Décembre 1926, qui n'a pas été admise par la Conférence des Ambassadeurs [see No. 351]. Elle semble même aggraver cette Note sur certains points.'

⁴ See No. 316.

⁵ On receipt of General Baratier's note of January 17 General von Pawelsz and Dr. Forster called on General Baratier (copy of his record of the interview was received in the Foreign Office under cover of Paris despatch No. 149 of January 19). General von Pawelsz stated that he was astonished at the reception of his proposals. General Baratier recapitulated General von Pawelsz's further explanations as follows: 'Si j'ai bien compris, vous avez eu l'intention dans votre note du 14 Janvier: (1) de définir l'emplacement exact des zones que vous considériez comme "zones d'armement": (2) de proposer la destruction des ouvrages avancés de Küstrin: (3) de vous engager à ne pas développer davantage les ouvrages à l'est de Glogau.' In conclusion General Baratier commented: 'En résumé, sous couvert d'une demande d'éclaircissements, le Gl. v. Pawelsz paraît avoir eu le désir de faire connaître que le G[ouvernement] Allemand était prêt à certaines concessions. Il n'a pas indiqué toutefois que le Gt. Allemand reconnaissait avoir violé le Traité [de Versailles], car à la demande suivante: "La proposition des ouvrages de Küstrin peut-elle être considérée comme une acceptation de la thèse juridique alliée"? Le Gl. v. Pawelsz n'a pas répondu.'

No. 410

Sir A. Chamberlain to Sir R. Hodgson (Moscow)

No. 41 [N 209/209/38]

FOREIGN OFFICE, January 18, 1927

Sir,

The Soviet Chargé d'Affaires¹ called on Mr. Gregory on the 14th instant.

2. M. Rosengolz stated that he wished to know whether Mr. Gregory would be willing to devote some time, an hour and a half or more, one day soon to a *private* discussion with him of the differences that exist between the

¹ M. Rosengolz was in charge of the Soviet Mission in London following the death of M. Krassin on November 24, 1926.

two countries. He saw no chance of any improvement in our relations so long as they remained aloof and had no opportunity of discussing the reasons for the existing unsatisfactory situation.

3. Mr. Gregory replied that, as he had told M. Rosengolz on previous occasions, he was at his disposal if he had anything particular to say, but that, before he was ready to converse with him, even privately, on general lines, he would be glad to know what points he wished to raise. As things were at present Mr. Gregory regretted that he did not perceive that the Soviet Government were really contributing much to the improvement of relations, and that, quite apart from anything else, it must be obvious to M. Rosengolz, living here, that British public opinion was very much affected by what it saw and read of anti-British action by the Soviet in various parts of the world. Until they had persuaded the British public that it was misinformed in these matters, it was not much good talking about an improvement of relations between the two Governments.

4. M. Rosengolz said that he supposed Mr. Gregory referred principally to China. If so, he must point out that His Majesty's Government were under a total misconception as to Russian aims in that country. He said that, while the Soviet Government were not officially involved on the side of the Cantonese, he would not deny that Russian feeling was in favour of the Nationalist movement and was anxious to see China gain her complete independence from foreign domination. He insisted that, in sympathising with the movement, they had no desire to damage Great Britain in any way. The differences were differences of ideas.

5. Mr. Gregory said that in that case it was curious how little ideas squared with facts. All that British public opinion was concerned with was the spectacle of an aggression against our interests made with the advice and assistance of Borodin² and a number of Bolsheviks, whose anti-British activities were entirely unconcealed. It was nonsense to pretend that sympathy with the Nationalist movement necessarily involved active participation on its side and direct antagonism to other Powers. Great Britain had every sympathy with a legitimate national feeling, and had given open proof of her justice and fairness towards its aspirants, and at this moment was endeavouring, as the whole world knew, to see how she could meet them. That was a totally different story from stirring up and abetting trouble in every possible direction.

6. M. Rosengolz replied that the British memoranda³ had come a year too late. If His Majesty's Government had been ready to discuss Chinese affairs with Russia in the beginning, the conflict in which they were engaged to-day would never have arisen.

7. Mr. Gregory enquired why His Majesty's Government should have gone out of their way to do this. If the Soviet Government had had anything to say, they could easily have done so. Besides, why should Russia alone of all countries think fit to strike out a line of her own which brought her into collision with everyone else?

² Cf. No. 344.

³ See No. 318, note 3.

8. M. Rosengolz explained that Russia was a limitrophe country with China and therefore was more directly concerned than anyone else. Mr. Gregory said that this was no answer at all. But in any case the point was not so much the why and wherefore of the situation, as the situation itself. What was happening was patent to the world and no amount of discussion would make people in this country see it in any different light. M. Rosengolz had said that the differences were differences of ideas. Mr. Gregory could only say that translated into practice they became even more accentuated. Great Britain had had a disagreeable illustration ten years ago in Russia when the Soviet had confiscated all British properties for the sake of an idea; and it did not look as if the practical expression of their ideas had grown any more palatable since.

9. M. Rosengolz at this point evidently came to the conclusion that the outlook for his projected private conversation of an hour and a half was not quite as bright as he had originally hoped; he said that, as Mr. Gregory evidently mistrusted Soviet intentions and policy, it did not seem to be much good covering a wider field and trying to find some way out of the difficulties. Mr. Gregory replied that, given M. Rosengolz's point of view, he wondered very much whether it was, but that he would reflect whether a further conversation was likely to lead any further and would let him know.

10. Mr. Gregory's language has my approval. For the moment, by my direction, he will say nothing further to M. Rosengolz, and if the latter suggests a further conversation will inform him that I have been too fully occupied with other matters to give instructions as to the line Mr. Gregory should follow.

I am, &c.,
(For the Secretary of State)
MICHAEL PALAIRET

No. 411

Sir A. Chamberlain to Sir G. Grahame (Brussels)

No. 39 [C 579/304/18]

FOREIGN OFFICE, *January 18, 1927*

Sir,

In the course of our conversation this afternoon, Baron Moncheur alluded to an answer which I had given before Christmas to a Parliamentary Question about the duration of the military occupation of the Rhineland by the Allied troops. The answer which I had returned was: 'The matter has been the subject of discussion between the representatives of the different Powers, but time is required for steps of this kind, and not merely time, but the active co-operation of the Government of Germany with the other Governments, to find a solution.'¹ He presumed that by these words I intended to imply

¹ For this reply by Sir A. Chamberlain on December 15, 1926, see *Parl. Debs.*, 5th ser., H. of C., vol. 200, col. 2904.

that Germany must make concrete propositions which would give an additional sense of security against military attack, and for the continued payment of reparations.

I told his Excellency that what I had much more in mind was the general attitude of Germany towards the Allied Powers—France in particular. I had meant to convey that they must settle the outstanding questions of military control which had been so long postponed; they must avoid instead of seeking trouble in the occupied area; they must not repeat such incidents as the unhappy passage in the Reichswehr Manual, which caused its withdrawal when attention was made [*sic*] to it by the French Government.² They must in fact show the same desire to cultivate a friendly spirit in all matters as they expect from us. There had undoubtedly been an idea at Thoiry (though no definite plan had there been discussed) of dealing with reparation payments. This particular idea when examined had turned out to be much more difficult than had been at first supposed, if not indeed impossible, but there might be other concrete proposals in this or another sphere which, in suitable circumstances, might facilitate the earlier evacuation of the occupied territory. But to enable such proposals to be considered on their merits, it was necessary first to secure a friendly public. The Germans seemed to think that, like the wind in the fable, they could make the French unbutton their coats if only they blew hard enough, whereas, as the fable ought to have taught them, it was the sun that conquered by shining with genial warmth. In fact this fable represented the whole difference between the pre-Locarno and the Locarno policy. What I had intended to intimate to the Germans was that it was not by threatening or blustering, but by continuing to show the spirit of goodwill and accommodation which prevailed at Locarno that we should most quickly reap the full consequences of that policy.

I am, &c.,

AUSTEN CHAMBERLAIN

² See No. 265.

No. 412

The Marquess of Crewe (Paris) to Sir A. Chamberlain
(Received January 19, 12.20 p.m.)

No. 18 Telegraphic: by telephone [C 580/11/18]

PARIS, January 19, 1927

Your telegram No. 16.¹

German war material.

M. Briand told me last night, in reply to my observation that I understood that progress is being made in the negotiations, that he had similar information from Berlin, and that he had sent instructions to Berlin that the

¹ No. 408.

Germans should be pressed to show a reasonable spirit of accommodation in this question, so as to ensure its being concluded before the end of the month. In the circumstances you may not wish me to ask for a further interview with him to-day as he must be closely occupied with his statement to the Foreign Affairs Committee of the Chamber.

No. 413

Sir A. Chamberlain to the Marquess of Crewe (Paris)

No. 18 Telegraphic: by bag [C 580/11/18]

FOREIGN OFFICE, *January 19, 1927, 7 p.m.*

Your telegram No. 18¹ (of the 19th January. German war material).

I think it important that the French government should be left in no doubt that we expect from them a far fuller measure of support over the question of war material than they have hitherto afforded us. I leave it to your judgment to determine the time and manner in which our views should best be conveyed to Monsieur Briand.

¹ No. 412.

No. 414

The Marquess of Crewe (Paris) to Sir A. Chamberlain (Received January 20)

No. 148 [C 591/11/18]

PARIS, *January 19, 1927*

His Majesty's representative at Paris presents his compliments to the Secretary of State for Foreign Affairs, and has the honour to transmit herewith copy of a note by General von Pawelsz, dated the 19th July [*sic*], 1927, respecting German eastern fortifications.

ENCLOSURE IN NO. 414

Note by General von Pawelsz

Copie

PARIS, *le 19 Janvier, 1927*

Explication concernant les dispositions pour le système des forteresses allemandes aux frontières est et sud proposées du côté allemand.

- 1) Le remplacement des positions d'armement nivelées par un squelette de petits abris en béton, conformément aux plans de construction communiqués, n'entre en question que pour les positions suivantes:
 - a) *Koenigsberg.*
Deime et Frischlinglinie.
 - b) *Lötzen.*
Feldstellung, Seensperrlinie et Kehllinie.

- 2) Les abris avancés en béton près de Custrin seront détruits si la Conférence des Ambassadeurs l'exige.
- 3) L'Allemagne ne construira pas de nouveaux abris avancés en béton près de Glogau.

No. 415

Sir R. Hodgson (Moscow) to Sir A. Chamberlain (Received February 8)

No. 44 [N 520/520/38]

MOSCOW, January 19, 1927

Sir,

The charge originally launched by the 'Manchester Guardian' and taken up by the German social-democrat press regarding the supposit[iti]ous operations conducted by Germans in Russia for supplying arms to the Reichswehr¹ has been met with a howl of indignation by the Soviet press. Karl Radek² dealt with it in an article headed: 'Inscrutable ways of the Lord', or 'How German social-democracy came to abandon the defence of the Fatherland'. 'Pravda' analyses the motives which lay behind the action of the social-democrats, coming to the conclusion—one which was to be foreseen—that Rudolf Breitschied [Breitscheid] and his friends had been striving to acquire merit in the eyes of the Entente by creating a smoke screen, under the protection of which a fascist dictatorship could be set up in Lithuania and 'Kovno turned into a new Sarajevo'. It was, in fact, all a part of the scheme for encircling the Soviet Union. There is, I think, no necessity to pursue further the labyrinthine reasoning process which the Soviet press devotes to this matter. But I might mention that Bukharin, in his speech on the political situation mentioned in my despatch No. 34³ of the 17th January, uses it as evidence that the social-democrats are contributing their link to the chain of encirclement.

2. The subject is one which has come up from time to time during the last five years. It has, however, invariably been surrounded by so many contradictions and uncertainties that I have never felt competent to express an opinion as to what proportion of the rumours in circulation is founded on fact and what is pure myth. In 1922 Admiral Hintze⁴ was in Russia for a number of months under an assumed name: at the same time there was in Russia a certain General Bauer who was ostensibly here for purposes of war prisoner relief but whose real activities were wrapped in mystery: there were also German engineers who were travelling in the Urals and discussing with Russian engineers the leasing and operation of certain factories. The country was then in a state of complete chaos and such information as it was possible

¹ See No. 334.

² A well-known Soviet journalist.

³ Not printed. The speech was delivered to the 15th Party Conference of the Moscow Government.

⁴ Admiral von Hintze, who had been German Minister for Foreign Affairs, July–September 1918, had in 1922 been considered for the post of German Ambassador at Moscow.

to obtain regarding the movements of these folk was so vague and sketchy as to be almost valueless. True, occasional scraps of information have come to hand from time to time from various sources, more particularly from Poland and the Baltic States, tending to show the existence of an important and widespread German organisation for the manufacture of arms, explosives and military supplies. I have before me two 'secret' reports, dated January 21st 1926, and communicated to me by the Polish Minister, headed—the one 'Joint German-Russian Construction and Armaments Industry'—the other 'Armaments Industry Factories actually working in the U.S.S.R.' Both reports came from Poland and are described as coming from a 'Right' Russian source—they are quite impressive until close examination shows gross inaccuracies which cast discredit upon the whole. Then individuals who have travelled through the Urals from time to time have reported having met there—at Ekaterinburg, Perm and elsewhere—groups of German workmen who have talked freely and given out that they had come to the country under special contracts with the Russians for re-establishing and developing war industry.

3. There would, then, seem to be *prima facie* grounds for believing that the 'Manchester Guardian' and Rudolf Breitschied have serious data on which to support their allegations. Yet when matters are looked into more carefully doubt arises as to how far this is the case. I have from time to time made diligent enquiries through other Missions, better placed than we are in that they have engineers of their own nationality working in the Ural or Volga regions where, according to reports, the Germans have been particularly active. In no single instance have I been able to get concrete information showing that operations such as are described in the 'Guardian' have actually been conducted. The Finnish Minister, for instance, made careful enquiries recently through an old friend of his who has been in the Perm district for years past and knows the whole district thoroughly. This friend maintains that at no time has a state of affairs existed in the Urals such as is described in the press. He mentioned a factory near Tchelyabinsk where some German foremen were employed on construction and equipment—probably some twenty or thirty men—. He knew of no other. There is, however, definite information available regarding a chemical works near Samara which is in German hands and where, in all probability, poison gases are manufactured. And there is, of course, Junker's factory near Moscow regarding which little or no secrecy is maintained. It has been working as a commercial proposition and, to all intents and purposes, has been a complete failure. As to the reports mentioned above, their origin makes them suspect and even the fact that they contain the names of a number of German engineers and chemists said to have been sent to take charge and reorganise various factories and arsenals leaves me unconvinced of their value.

4. On the whole, I give it as my opinion that the recent campaign has a certain sub-stratum of fact, but not much. There have been Germans over here, representative of various political groups, and these Germans have been

in contact with Russian officials. It is quite likely—and I think probable—that large plans for co-operation have been discussed. Yet I believe that very little except talk has really ensued and that the campaign regarding the ‘Soviet grenades’ is, in the main, a journalistic *feu d’artifice*. As for the stories of workmen, who report having been brought over to Russia in detachments to work in factories, I should be inclined to regard these with much scepticism until their genuineness has been proved. I have no doubt that in a number of instances German workmen have been brought into this country for special work, (if I am not mistaken some seventy German workmen were employed at Fili in the Junker’s works) but I do not believe either that large numbers have come into this country or that any considerable scheme of co-operation in war industry between Russians and Germans has been in progress in the past few years or is in progress now.

5. I am sending a copy of this despatch to His Majesty’s Ambassador in Berlin.

I have, &c.,
R. M. HODGSON

No. 416

The Marquess of Crewe (Paris) to Sir A. Chamberlain
(Received January 21, 8.30 a.m.)

No. 19 Telegraphic: by bag [C 610/11/18]

PARIS, January 20, 1927

Your telegram No. 18¹ of yesterday.

2. Mr. Phipps informed Monsieur Berthelot to-day of the vital importance attached by all our military experts to the negotiations in Berlin regarding German war material and enquired what news the French government had as to the manner in which those negotiations were proceeding. Monsieur Berthelot said that according to the French Ambassador in Berlin, the negotiations were proceeding satisfactorily. Mr. Phipps said that our information on the subject was less hopeful and he, therefore, urged strongly that immediate telegraphic instructions should be sent to Monsieur de Margerie to give all possible support to the British representatives at Berlin in this matter. Monsieur Berthelot promised that a telegram should be sent in this sense tonight.²

3. Monsieur Berthelot then remarked that General von Pawelsz’s latest proposals regarding the Eastern fortifications question were highly unsatisfactory and would in effect enable the Germans to go on bringing their fortified system indefinitely up to date. Moreover, it seems that Herr Stresemann now urges that this question should be settled by diplomatic negotiation. Monsieur Berthelot said that a telegram had been sent to-day to Monsieur

¹ No. 413.

² Paris telegram No. 20 of January 21 reported that the desired instructions had been sent to M. de Margerie. In return the French Government made the request fulfilled in the last paragraph of No. 421.

de Margerie pointing out that the question is one for the Ambassadors' Conference and that it is quite impossible to make it one for diplomatic negotiation, which would imply considerable delay and would in any case preclude a settlement before the end of the month.

4. Monsieur Berthelot said that the attitude of the Germans over this question was deplorable and had had a very bad effect upon French public opinion. In fact, he considers that it has rendered any possibility of evacuation³ out of the question for another two years. He has so informed Herr von Hoesch.

³ Of the occupied territory in the Rhineland.

No. 417

Sir A. Chamberlain to Mr. Addison (Berlin)

No. 105 [C 618/11/18]

FOREIGN OFFICE, *January 20, 1927*

Sir,

The German Ambassador told me to-day that he was instructed to speak to me about Sir Ronald Lindsay's conversation with Dr. Stresemann as reported in his despatch No. 22¹ of the 14th instant. Dr. Sthamer said that Dr. Stresemann had been completely taken by surprise by the language which Sir Ronald Lindsay had held on my instructions and had sent him a full reply in such detail that he felt it would lose force if he attempted any summary of it. With my permission therefore he proposed to read it to me. This he did at my request in a translation and then handed me both the original German text and the translation which he had read.² In further comment upon it the Ambassador said that what had particularly affected Dr. Stresemann was the imputation on his good faith and the suggestion that he himself was not loyal to the spirit of Locarno.

I at once told the Ambassador that I had never doubted Dr. Stresemann's good faith from the moment that we met at Locarno. That was not in question. What I had felt was that some of Dr. Stresemann's colleagues (I named Dr. Bell) were not equally loyal to the policy, and that Dr. Stresemann did not fully realise the effect upon others of the language held by such a Minister and other people in Germany and of the attitude of a large section of their press and that, not appreciating how adversely these affected foreign opinion, he had not perhaps done all that was possible to restrain them.

The situation had, of course, somewhat altered since my despatch³ was written, for, as Sir Ronald reported, there was a favourable change in the attitude of the German negotiators at the very moment when I instructed him to make his representations to Dr. Stresemann. I told the Ambassador that

¹ No. 400.

² The original German text is not preserved in Foreign Office archives. The translation is preserved only in the form of confidential print.

³ No. 392.

this change had been reported to me after the despatch was written. I said that I had received the assurances and explanations which Dr. Stresemann had given to Sir Ronald with great pleasure, and I devoted some little time to explaining the anxieties which had led to my taking this step. In view of the explanations and assurances which Dr. Stresemann had first given to Sir Ronald and then repeated through Dr. Sthamer, I was careful to avoid giving a controversial turn to our conversation, but I spoke of the injury done by the exaggeration given to every incident in the Rhineland (even to such a one as the drunken brawl in which a couple of English soldiers were engaged the other day⁴) which, coupled with speeches like Dr. Bell's, almost forced upon one the conclusion that some people in Germany were anxious to create the incidents in order to use them as an argument for evacuation. I used to him as I had used to the Belgian Ambassador the day before yesterday the old fable of the contest between the sun and the wind to force the traveller to take off his coat,⁵ and I remarked that a large section of German opinion seemed to think that concessions were to be won by stormy and intemperate appeals instead of by adopting the more genial methods suggested by Locarno sunshine.

I have, &c.,
AUSTEN CHAMBERLAIN

ENCLOSURE IN No. 417

Note from Dr. Stresemann to Dr. Sthamer

(Translation)

BERLIN, January 17, 1927

The British Ambassador called on me on Friday⁶ and criticised our conception of the policy of Locarno in an extraordinarily severe form; he was acting on instructions received from Sir Austen Chamberlain. This criticism dealt with our general attitude and also with our handling of the specific questions now under discussion.

Sir Ronald Lindsay began by explaining that owing to a growing, and according to his own opinion, not unjustified annoyance of public opinion in France, which necessarily had the impression that since Locarno concessions had continually been made to Germany, with the only result that Germany always put forward new demands, Sir Austen Chamberlain felt no little anxiety. In order to prove this, the Ambassador at first stated that, in contradiction to what I had promised in Geneva, we had so far made no new proposals for the settlement of the two questions concerning disarmament which were still open. Sir Austen Chamberlain was especially astonished that I was doing nothing to provide the necessary guarantees, as I had promised to do, in order to prevent the accumulation of war material in Germany. In Geneva I had, in accordance with the other delegates concerned, expressed the hope that an agreement on this question could be found before the 31st January, but at present I seemed to treat the matter in an extra-

⁴ See No. 395, note 2.

⁵ See No. 411.

⁶ January 14, 1927.

ordinarily dilatory fashion and to do nothing in order to promote an amicable settlement.

The Ambassador then mentioned the questions relating to the Rhineland, and tried also in this respect to prove that our policy lacked goodwill and far-sightedness. In the case of the judgment of Landau the attitude of the German press had made it exceedingly difficult for M. Briand to make a *geste* of conciliation, and had, in an unwise way, exposed him to the reproach that, through pardoning the men who had been condemned, he had given way to German pressure. Our procedure in the question of evacuation was still more to be found fault with. The repeated statements by German Ministers that the occupation of the Rhineland had, through the putting into practice of the Locarno Treaties and through the entry of Germany into the League of Nations, lost its moral foundation, were not propitious to the idea of an early evacuation. It certainly had been the hope of all delegates in Locarno that the treaty concluded there would lead to a general appeasement and conciliation and that the liberation of the Rhineland would be a consequence thereof. A genuine reconciliation, however, would only be feasible if both parties contributed to that end; a reconciliation would, however, be impossible if, as heretofore, Germany always demanded concessions without giving anything in return.

We should, Sir Ronald Lindsay said, at last show some appreciation of the important concessions which had been made to us instead of continually and loudly clamouring for new alleviations. Otherwise, even in England, one would at least doubt whether the policy of Locarno was right. Evidently I did not realise how difficult M. Briand's position was and what consequences his possible resignation would have. If he left the Quai d'Orsay, this would certainly signify the adjournment of the evacuation question for an uncertain period and, apart from this, the consequence would probably be that the League of Nations would decide to order investigations to be held in Germany.

In this connection the Ambassador finally also hinted that the recent revelations concerning the participation of the nationalist organisations in the recruitment for the Reichswehr had made a very bad impression abroad. The Powers which had had to fight against Germany for their existence could, according to Sir Austen Chamberlain, not put up with the fact that the old Nationalist elements tried, with evident success, to gain control of the Reichswehr and for a second time to make it an instrument for their pernicious plans.

I must admit that I was literally dumbfounded at the statements of the British Ambassador, a short résumé of which I have given above. His statements show such a bias against Germany that it inspires me with genuine anxiety. Naturally, I tried to prove that the reproaches put forward against us by Sir Ronald Lindsay lacked foundation. I, however, think that it is necessary that you should, on your part, discuss the matter with Sir Austen Chamberlain personally.

I fully understand the fears which Sir Austen Chamberlain has owing to

the difficult position of M. Briand, and constantly keep in mind that it would be an irretrievable loss for the Locarno policy if the French Foreign Minister were to resign. I must, however, emphatically deny that the difficulties with which M. Briand has to cope with [*sic*] are caused by the German policy or by my own personal attitude. Surely, Sir Austen Chamberlain cannot possibly fail to see where the real cause of these difficulties lies. The cause is not to be sought for in the attitude of Germany, but quite simply in the fact that for months, in an increasing degree, political forces have been evident in France which refuse to accept the Locarno policy, as it was understood by its originators, and which, therefore, use all possible means to prove that M. Briand's intentions are wrong and detrimental to France. It is clear that the easiest way to do this is to suspect Germany. Sir Austen Chamberlain should, therefore, not adopt the statements of certain organs of the French press, which support a policy opposed to Locarno and complain of a lack of goodwill on the part of Germany, and, furthermore, state that her foreign policy is unreliable.

The specific reproaches which Sir Ronald Lindsay put forward are not difficult to disprove. As regards his statements concerning our mode of procedure in the question of disarmament, I can only assume that Sir Austen Chamberlain is not properly informed as to the actual happenings. Nothing could be more unreasonable than to assume that our policy in this respect is dilatory in order to prevent an agreement before 31st January. As soon as I returned from Geneva I saw to it that the two outstanding questions were taken up again here in Berlin. These questions have since continually been energetically dealt with. Detailed discussions have taken place within the Cabinet. Apart from this, repeated discussions were held with the German industrial organisations, discussions some of which I personally conducted. As to the question of war material, the discussions with the Inter-Allied Military Control Commission were furthermore taken up immediately after Geneva. Before Christmas already it was agreed upon with the commission that General Walch, who went to Paris at the time, and the German Government should use their influence with the Ambassadors' Conference, in order that the Control Commission should be authorised to enter into further discussions. At the outset the German Government declared that we were ready, according to the proposal made by Sir Austen Chamberlain, to insert a paragraph into the proposed Bill, which would efficiently prevent war material from being accumulated in Germany under the pretext that this material was destined for export. It is correct that in the question of fortifications and of war material we did not immediately submit written proposals. The reason for this was, however, not in the least that we intended to delay an eventual settlement. We merely thought that it would be more useful first to discuss the questions unofficially with the departments and personalities concerned in Paris, in order to gain an idea as to which formulations would offer the best prospects of a favourable development of the discussions. To this end, apart from the discussions taken up with the Control Commission in Berlin, Herr Forster was sent to Paris before Christmas. This

method seems to have proved its usefulness. The consequence has been that General von Pawelsz, at the end of last week in Paris, submitted a definite, written proposal in the question of fortifications.⁷ In Berlin the discussions concerning war material have progressed favourably, and this owing to the fact that the German Government submitted proposals which go far beyond the idea of prohibiting the accumulation of war material in Germany. The superior officers of the Control Commission accordingly also openly told the German delegates that they had left no doubt in Paris as to the fact that the negotiations were conducted by Germany with great energy and in the sincere wish to arrive at an agreement. All these facts seem to have been unknown to Sir Austen Chamberlain, when he issued his instructions to the British Ambassador in Berlin; otherwise, I would be quite unable to understand his misconception concerning our course of action.

Moreover, I feel sure that Sir Austen Chamberlain will acknowledge that the two questions concerning the eastern fortifications and the war material are not such as can simply be classified as justified demands of the Ambassadors' Conference and unjustified objections on the part of Germany. The interpretation of the treaty⁸ is in some respect at least doubtful, so that on this account already the blame for the difficulties of the discussions concerning these questions cannot *a priori* be put on Germany. Apart from this, however, you should again explain to Sir Austen Chamberlain what a great deal Germany has accomplished during the last years as regards disarmament. I am always under the impression that the significance thereof is not sufficiently appreciated in England, and that, above all, it is overlooked to what an extraordinary extent the national feeling of the German nation has thereby been tested. Sir Austen Chamberlain need only glance at the Bill concerning the war material with its numerous positions in order to see what it means to introduce a Bill of such nature in Parliament. If it is argued in the Reichstag that it is not fair to impose the Dawes obligations on the German nation, which can only be paid out of the surplus of exports over imports and at the same time to forbid the export in important branches of industry, it will surely not be an easy matter for the German Government to refute this argument.

The same applies to the remarks of the British Ambassador regarding the Rhineland question—I cannot regard what he said as justified. Referring to the Landau case he passed over the essential issue with the remark that the judgment had perhaps not been very fortunate. At Landau one German was shot, another was seriously wounded by a French officer whose conduct would scarcely be approved of by Frenchmen themselves. This officer was acquitted, whilst the Germans were condemned. Of course, that produced violent excitement. No Government could have silenced this excitement at once. When M. Briand, as I have recognised at every possible opportunity, then took those measures which were in the power of the civil authorities in France, I did everything I could to influence the press not to deal with the incident any more. This was very nearly attained; we also arranged for the

⁷ See No. 406.

⁸ Of Versailles.

condemned Germans to withdraw their appeal so that the agitation should not again flare up.

As regards the occupation of the Rhineland, I have always recognised and specially appreciated the fact that the British Government advocate an early evacuation; in this respect I can point to the conversation which I had with Sir Austen Chamberlain at Geneva.⁹ The irritation of German public opinion as regards the question of evacuation is only an echo of the French press, which recently refuses to show any spirit of goodwill. For the foreign policy of the Reich only the speeches and utterances of the Foreign Minister are relevant; if other official quarters have defined their point of view very pointedly this is explained by the fact that they have to take regard of the feeling of the inhabitants of the occupied territories, and I feel sure that the British Foreign Secretary will understand this when he bears in mind what it means for the inhabitants of the Rhineland to see foreign soldiers on their soil seven years after peace was concluded and one year after the signing of the Locarno Treaties by which peace and friendship were proclaimed between the nations concerned.

In connection with this matter you should impress on Sir Austen Chamberlain how unjustified it is to reproach us as is repeatedly done that it is typical of our policy not to recognise concessions made to us, but to put forward new demands at once. Which concessions can I point out to German public opinion? I do not wish to discuss the point whether the extension of the occupation of the first zone beyond the 10th January, 1925, was formally justified or not, but certainly one cannot consider the evacuation in January 1926 as a special favour. The same applies to the way the occupation is carried out in the second and third zones. Certainly, we willingly recognise and have always pointed this out in public that the system of delegates was done away with and that the relations with the Inter-Allied Rhineland Commission have been carried on in a better atmosphere. But practically nothing has been done in the way of a reduction of the troops, which for the man in the street would be a really visible symptom of a *détente*. The Rhineland ordinances have as yet in no way been revised; the draft which the Rhineland Commission recently presented to us is only a codification of the earlier ordinances and is in some respects a change for the worse. Our hope is that the present state of affairs will be improved by the negotiations which are now beginning.

And how am I to understand Sir Austen's request that Germany also should make concessions on her part? In matters like the disarmament question, the investigation problem, and the régime in the Rhineland it seems to me that we should not speak of concessions and counter-concessions; our object is rather to come to an agreement with the other Governments as to how the treaty is to be justly interpreted and carried out. Nobody will expect us to make concessions beyond the heavy burden imposed on us by the Peace Treaty, but in order to come to an agreement on the big political questions the only possible concession that Germany can make at all

⁹ The reference is presumably to the conversation recorded in No. 326.

is the line she gives her general policy. This concession we have made by concluding the Locarno Treaties and Sir Austen has always been the first to recognise this. Is he going to forget it now? Would he forget what it means for a country like Germany with her tradition and her formerly great military power to declare solemnly and bindingly seven years after the loss of the great war that she abandons the idea of ever reconquering Alsace-Lorraine by force, that she will carry on a peaceful policy with all her neighbours and above all that she will seek a conciliation with France? It was M. Briand himself who in his New Year's interviews pointed out the great advantages of Locarno for France. In England it is well-known how hard I have had to fight in Germany in order to bring about this turn of policy which is of world-historical importance; it is also well-known that this struggle was not in vain. An important change has taken place in the whole German public opinion in the last years, and that entitles me to say that the Locarno policy has firmly taken root in Germany and will be maintained as long as France and England also adhere to this policy. I should like to point out only one fact, namely, that the Rhenish-Westphalian industrialists who have suffered most from the consequences of the war, have declared that they are prepared to collaborate peacefully with the industries of other countries and that they are actually carrying out this co-operation, a fact that would still have been impossible two or three years ago.

No exaggerated importance ought therefore to be attributed to some of the activities of the so-called patriotic societies. Anybody who knows Germany will, for example, consider it as remarkable that one of the greatest national organisations, i.e., the Jungdeutsche Orden, could include the demand for co-operation with France against Soviet Russia in their programme. But all the questions connected with these patriotic societies and also the problems connected with the Reichswehr are, in the first place, questions of German internal politics. In this respect we have to deal with problems of internal policy. These problems cannot be solved by dictation from headquarters, but we must try to settle them gradually. Nothing could jeopardise the efforts of the Reichs Government, which they are carrying on permanently and successfully in this respect, more than interference from outside. I, therefore, specially regretted the way in which Sir Ronald Lindsay in conclusion of his remarks deemed it necessary to mention efforts to make the Reichswehr a willing instrument for mischievous plots.

Having all this in mind, I can only urgently beg Sir Austen Chamberlain for once to put himself in the position of the German Government when considering the political situation. I am sure that he will then come to a very different view to the one contained in the recent communication of the British Ambassador. Sir Austen can be convinced that it is not and will never be the attitude of the German Government which is responsible if obstacles arise in the development of the Locarno policy. Sir Austen should in fairness no longer doubt that I, personally, devote myself wholeheartedly to the furtherance of this policy, and that I specially have in mind the removal of any obstacle on the path of conciliation with France.

No. 418

*Note from the Allied Military Committee of Versailles to General von Pawelsz*¹ [C 617/11/18]

PARIS, le 20 janvier, 1927

1. Les Délégués Alliés, après avoir reçu la Note verbale du Genl. von Pawelsz du 19 Janvier 1927² (explications concernant les dispositions contenues dans la Note du 14 Janvier³) estiment que ces explications sont de nature à atténuer le caractère d'aggravation signalé dans la Note des Délégués Alliés du 17 Janvier.⁴

2. Pour aboutir à une entente complète et définitive sur la question des fortifications, et pour éviter tout malentendu dans l'avenir, il n'en reste pas moins certain qu'il convient tout d'abord que soit acquise l'acceptation du Gouvernement Allemand de l'interprétation des articles 180 et 196 du Traité,⁵ telle qu'elle résulte de la Résolution de la Conférence des Ambassadeurs du 3 Décembre 1926.⁶

Les Délégués Alliés attendent une communication du Général von Pawelsz à ce sujet.

3. Ce premier point acquis, on examinerait la situation de fait des ouvrages construits par l'Allemagne depuis 1920 sur ses frontières orientales, ainsi que les explications formulées à ce sujet par le Général von Pawelsz dans sa Note du 19 Janvier 1927.

¹ A copy of this note was received in the Foreign Office on January 21 under cover of Paris despatch No. 167 of January 20 (not preserved in Foreign Office archives), which also transmitted a copy of a brief report (not printed) by General Clive for the War Office on the meeting of the Allied Military Committee on January 20, at which the present note was drafted.

² Enclosure in No. 414.

³ Enclosure in No. 406.

⁴ See No. 409, note 3.

⁵ The Treaty of Versailles.

⁶ See No. 316.

No. 419

Letter from Mr. Addison (Berlin) to Mr. Sargent [C 802/304/18]

Personal

BERLIN, January 20, 1927

My dear Sargent,

The Ambassador's despatch No. 22¹ of the 14th instant will have shown you exactly what action His Excellency took on the Secretary of State's despatch No. 62² of the 12th instant, as also the reactions which his action provoked in Stresemann. Since then, a private letter from the Secretary of State to the Ambassador dated the 13th of January,³ the envelope of which was marked 'please open' has been opened by the Private Secretary and communicated to me for my information. It will, of course, be laid before

¹ No. 400.

² No. 392.

³ No. 395.

the Ambassador as soon as he shall have returned. But, meanwhile, it occurs to me that a few desultory remarks by myself, addressed to you, may not be altogether useless as illustrating and enforcing certain views. These remarks will be entirely fragmentary and will not be placed in any logical sequence. Nor do they pretend to be exhaustive or mathematically accurate, but merely aspire to indicate a general tendency and to picture a general state of affairs.

Nobody is more ready than myself to endorse emphatically the comment made by the Secretary of State that every concession granted to Germany would appear to the German mind only to constitute a reason for asking for more. This side of the question was treated in some detail in the despatch from this Embassy No. 671⁴ of the 10th of December, 1925, from which I would quote the following sentence:—‘Thus it is that the average German naturally believes that no concession can possibly be made merely from kindness of heart or from a general feeling of doing justice, and since this is so, it follows that the reason for any concession is that others require him as much as he requires them, and it consequently further follows that he should take full advantage of the situation and ask for something more’.

I am afraid that this is an ingrained characteristic which—since we cannot govern this country and introduce into it the feelings of ‘fair play’ and ‘give and take’ which are in ourselves the result of a different past history, different climatic surroundings and totally different education—will continue to constitute the main difficulty in our relations with Germany, and the main obstacle to admitting Germany to an equality which the Germans will always consider as the first step towards the attainment of superiority. I ventured in the above-mentioned despatch, therefore, to prophesy that, as soon as certain questions, such as aerial development and occupation of the Rhineland should have been settled and as soon as Germany should have become a member of the League of Nations, the German Government would at once proceed to ask for more with regard to three questions in the following order of importance:—

1. Danzig and the Corridor.
2. Upper Silesia.
3. Austria.

In aerial development they have got what they wanted. They are, therefore, now concentrating on the occupation of the Rhineland and, if and when this shall have been settled to their satisfaction, they will, I venture to prophesy, begin on Danzig and the Corridor. Moreover, in despatch No. 463⁵ of the 15th of July last, I was able to forward to you a stenographic record of a meeting of the Foreign Affairs Committee of the Reichstag held on the 26th of June at which Dr Stresemann promised the Committee that, as soon as Germany should have become a member of the League of Nations and the situation should have been consolidated by the withdrawal of the Military Commission of Control, the time would have come ‘to discuss [*sic*] the

⁴ See Volume I, No. 141.

⁵ No. 93.

whole question of the withdrawal of the troops from the zones still occupied'. I quote these extracts merely with the object of showing that it had always been anticipated from here, as indeed it has fully been realised at home, that Germany would act as she is acting. The most satisfactory feature from the point of view of the British diplomat here is that if he will only use his powers of observation he can almost certainly predict how the German will react in any given situation. He (the German) is not intelligent, if by intelligence we mean the quick perception of matters, tendencies, opinions and knowledge outside the sphere of his own activities. (Of course there are exceptions; I am only talking in general terms.) Consequently there is no public opinion in this country in the sense in which there is a public opinion in England. That is to say, the average man, the barrister, the doctor (or any other profession we may wish to tabulate), is only competent to express an opinion with regard to his particular branch of law or medicine, etc., and proceeds to talk the most arrant nonsense as soon as it is a question of estimating whether Germany should conclude an alliance with Russia or whether Great Britain should defend Shanghai. He simply believes, or reads without understanding, what is said in the particular paper which he happens to peruse at breakfast. On some simple general question he will have certain 'Richtlinien'⁶ and thus for instance with regard to the occupation he will say 'since we are now as good as you are and the war has been forgotten the foreign troops must at once leave German soil'. But, on the whole, I venture to think that he does not very much care whether the foreign troops leave German soil or not, at any rate not to the extent of getting wildly excited about it. You will remember that Squire Western, after listening impatiently to a learned discussion between the Reverend Thwackum and Mr Blifil on the law of nature, exclaims '...⁷ of your law of nature: pass the port round—let's talk about something we can all understand—let's talk of the state of the nation'. That is a remark which no German Squire Western would ever have made.

In similar circumstances, the German would have turned the conversation to the state of the crops or the feeding of horses or to some topic on which he could shine by exhibiting expert knowledge. It would never have struck him to discuss the 'state of the nation'. This is a matter which he leaves to mysterious beings called Statesmen and officials, the which Statesmen and officials communicate to him the views which he ought to hold through the medium of equally mysterious people called journalists. It is indeed surprising how little the German thinks about the Government of his country and above all how little he reflects on the relations of his country with foreign countries unless and until any particular question happens to affect his own particular interests. You cannot go to a dinner party in England without at least someone expressing the opinion—probably uninformed but at any rate resting on some basis—that he or his friends could have done much better than the Government on some question of home or foreign

⁶ Guiding principles.

⁷ Punctuation as in original quotation from *Tom Jones* by Henry Fielding (London, 1749).

policy. Such a conversation never takes place in Germany outside the ranks of those whose job (or as the Germans express it 'Fach') it is to busy themselves with such matters. And this brings me to the point raised in the Secretary of State's letter to Sir Ronald Lindsay, viz., the question of propaganda directed against the occupation.

It may surprise you (or perhaps it may not) if I say that this propaganda, which undoubtedly exists, is in my opinion entirely artificial and does not in fact represent any serious movement of public opinion. True it is that the average German, with his pedantic logic, concludes that the presence of foreign troops on German soil is now unnecessary and therefore that these troops might just as well leave German territory. But I do not think, as above-mentioned, that he looks upon the question as anything more than a subject for academic discussion and that in fact he cares much whether the troops leave now or in three or eight years' time. The propaganda must, therefore, be taken with a grain of salt and in the light of the German proverb that 'es wird nicht so heiss gegessen wie gekocht'.⁸ Of course, this does not affect the perfectly correct view of the Secretary of State that this propaganda has a most unfortunate effect in France and is calculated to prolong the occupation instead of to shorten it. All I wish to convey is the lack of significance of the movement from the point of view of German public opinion and to indicate that even if the result of this propaganda be to maintain the occupation, the German public will take the result very calmly. Turning to the details of this campaign, it will be seen that it is a mere press agitation unaccompanied by any popular outbursts or demonstrations in Unoccupied Germany. The most absurd incidents, as the Secretary of State has pointed out, are seized upon and magnified. The object, I venture to think, of this press campaign is however not so much to rouse the German public—which is not to be roused—as to persuade foreign public opinion, according to the method congenial to German mentality, that everybody is boiling with rage in Germany and that the occupying Powers had better take proper measures to cool this boiling rage before it is too late. The Secretary of State has called attention to an extract from the 'Manchester Guardian' which alludes to the attitude of the 'Kölnische Zeitung' in magnifying minor brawls which occur in every civilised country and are not more numerous in the occupied territories than elsewhere. I would further call attention to Kilmarnock's despatch No. 3⁹—which you sent to us in your despatch No. 50¹⁰ of the 10th of January—dealing with another incident so trivial as to be ridiculous. A British Officer was accused in the local press of kicking a German school boy because the latter had bumped into him. As one cannot imagine a British officer kicking anybody in any circumstances, the thing was ridiculous from the start, but we actually held an enquiry into it, the result

⁸ The proverb relates to the cooling period between stove and table.

⁹ Not printed. In this despatch of January 4 Lord Kilmarnock reported on the incident described below and added: 'I am drawing the attention of the German Commissioner to the exaggerated nature of the reports' in the German press thereon.

¹⁰ Not preserved in Foreign Office archives.

of which was to show how absurd the incident was. Similarly even with regard to the much more serious case of Lieutenant Rouzier¹¹ we know as a matter of fact that, however unfortunate the verdict may have been, the blame was by no means entirely on the side of the French officer. I wrote to you at the time recording the remarks made to me privately by Köpke¹² to the effect that the result of the German enquiries had been to prove that Rouzier had in fact been assaulted and that the local German authorities were so angry at the result that they were refusing to co-operate in the enquiry which the French were making into the incident. Moreover most Germans have a sneaking sympathy for Rouzier in the matter in that they know perfectly well that a German officer would probably have shot in the same circumstances, and they have not failed in this connection to allude to the case of von Brusewitz which occurred at the time when I was in Heidelberg in 1895 or 1896. Von Brusewitz, being annoyed at seeing a civilian sitting in a restaurant with a lady with whom he would rather have been sitting himself, pretended that this civilian had touched him with his foot, and proceeded thereupon to draw his sword and kill him. He was left at liberty for several days; was finally tried by Court Martial and received the absurd sentence of, I think, about six months' detention in a fortress, which meant that he had to be in at 7 o'clock in the evening or something like that. Thereupon the Kaiser, in his celebrated speech to the Naval recruits at Wilhelmshaven made a veiled allusion to this case by saying that he hoped that his officers would always remember that they had to defend their Sovereign's uniform. This incident of von Brusewitz appeared perfectly natural to the majority of Germans at the time. Similar incidents of a minor nature were of frequent occurrence, and at heart they do not think Rouzier such a terrible scoundrel. As a German said to me 'It is a pity for Rouzier that the incident did not occur in 1921. Nobody would have paid the slightest attention to it, but, now that we want to get the troops out, it is, of course, a most excellent incident from our point of view.' You will naturally ask why such a campaign is being conducted if it be not, as I am confident that it is not, a reflection of German public opinion. The answer cannot be conveyed in two words, and I shall therefore have to use more than two words in reply.

In the first place, there is the overshadowing factor that the German Government wish to obtain evacuation and that the simplest method which occurs to their agents in the press is one congenial to German mentality, viz., to overstate the case and to represent the occupation not merely as being an indignity and a state of affairs incompatible with present conditions, but also as a terrible oppression of a considerable portion of the German population. It is difficult to do this with any show of reason. I myself have been in the Occupied Territories. Nobody notices the occupation. The French

¹¹ See No. 383, note 2.

¹² Dr. Köpke was Ministerial Director in charge of Department II of the German Ministry of Foreign Affairs which dealt with Western European affairs. Mr. Addison's letter of October 11, 1926, recording his remarks as here indicated is not printed.

officers and soldiers walk gloomily about looking at the German crowds in the restaurants and places of amusement, the amenities of which they are themselves unable to afford. In the British zone, the British officers and men spend a lot of money and by their cheery and amiable demeanour contribute to the pleasantness of life and to the joy of the female population. You will remember that, in a previous despatch,¹³ I quoted a remark of Stresemann's to the effect that the Cologne zone was by no means so happy to have lost the British troops of occupation as the officially commanded festivities appeared to indicate. Now, all this is well-known in Germany, and, except perhaps in some remote country districts, this propaganda does not excite anyone. Indeed such is the apathy that it is precisely for this reason that the press keeps up a campaign with the distinct object of trying to convey abroad the impression that a fury and indignation exist, which, in fact, are conspicuous by their absence. I think that Stresemann himself sees all this, and would do, and probably does, that which in him lies to stop it. But he is not all powerful, and this brings me to a further aspect of the question.

From what I have said above you might conclude that the German Federal Government are entirely responsible for this press campaign, and that they could put an immediate stop to it if they wished. This view requires some qualification. The fact is, as has been pointed out in connection with other matters, that the Central Government, while being responsible for foreign policy, has very little, if any, power over the Governments of the various States even in matters which affect the relations of Germany with foreign Powers. I am pretty certain that Stresemann, who is about the only influential German that I can think of at the moment who has anything approaching broad views, is himself convinced of the folly of this press propaganda and would like to put a stop to it. Representations to him on this subject, therefore, do not merely act as a reinforcement of his own opinion. They serve to remind him of his most unfortunate impotence. I know that the German Government always put forward, when necessary, the argument that they cannot control the actions of the Governments of the various States. It is a convenient argument, but it also unfortunately has the merit of being true. For instance, to return to the Rouzier case, I have it on good authority that the Press Department of the Foreign Office did their very best beforehand to restrain press comment, and even went so far as to tell the press that it was highly undesirable to send special correspondents to assist at the trial. But they were reckoning without the Prussian Government and above all without the Prussian Minister of the Interior, Grzesinski. For the Prussian Government would seem to be actuated by a particular desire to irritate the Federal Government on every possible occasion. The reasons are numerous, and I do not wish to make this letter too long, but I would merely say that in the particular case of the agitation in the Rhineland it must be remembered that the Prussian Government have a peculiar interest in conciliating the Catholic party with whom the Social-Democrats in Prussia have concluded a sort of tacit alliance, and that the Social-Democrat

¹³ Berlin despatch No. 329 of 1926 printed as No. 26.

Minister of the Interior would consequently strive to conciliate that party, the main strength of which is drawn from the Rhineland. Thus after this warning had been conveyed by the Federal Government, Herr Grzesinski himself, I am told, issued instructions (or if he did not actually issue instructions, indicated that it was desirable) that special correspondents should be sent to Landau and that these correspondents should see to it that 'the Whig dogs got the worst of it'. Against this and similar actions, Stresemann unfortunately is powerless. Grzesinski is entirely independent of him, and can if he chooses tell the Central Government politely to mind their own business.

Since I am on the subject of Grzesinski, you might like to know who this gentleman is. Grzesinski was born in 1879, went to an elementary school at Spandau and started life as a metal worker. He subsequently became a Trade Union Secretary at Offenbach and afterwards at Cassel, where he was also a member of the Municipal Council. In 1913 he was Joint Secretary of all the Trade Unions in Cassel and on the outbreak of the revolution found it profitable to become a 'Soldatenrat'.¹⁴ He is an able man and during the general confusion in 1919 he was given the rank of an Under-Secretary of State in Prussia and was appointed by Noske Prussian Commissioner for Demobilisation. In 1921 he entered the Prussian Landtag, but left Parliament when Severing appointed him an 'Oberregierungsrat'¹⁵ in 1922. He performed his duties well and was accordingly made Polizei-Präsident¹⁶ of Berlin, which post he left in order to succeed Severing as Prussian Minister of the Interior. Now the first effort of a man of these antecedents in this country will be directed to proving by his actions that he has abandoned the past and is just as capable of beating the patriotic drum as any German Junker. I need not quote other examples of this species of conversion. Those of Weissmann, Prussian Secretary of State, and of Rauscher, German Minister at Warsaw, readily occur to the mind. It reminds me of what a French friend once said to me years ago about the time when Briand, a 'Socialiste révolutionnaire' had been made President of the Council in France, and was repressing a French railway strike¹⁷ with an energy worthy of a Tzarist Minister. He said 'Briand était député Socialiste et il avait les opinions que doit avoir un député Socialiste. Il est maintenant Président du Conseil et il a les opinions que doit avoir un Président du Conseil.'

Although the Social Democratic party here are ready to denounce any reactionary tendencies in the Reichswehr or in the patriotic Associations, this is mainly because they fear the anti-Republican movement and inasmuch as this attitude places them in the unfavourable position of appearing to take sides against their country, they are all the more anxious to beat the patriotic drum in other directions. The direction which most readily occurs to persons connected with the Central Government is the question of the

¹⁴ Member of a soldiers' council.

¹⁵ Provincial Councillor.

¹⁶ Police-President.

¹⁷ M. Briand was President of the Council from 1909 to 1911. The railway strike took place in 1910.

'Anschluss' about which Herr Loebe, the Socialist President of the Reichstag, is never weary of making a speech. In Prussia the Social Democratic party naturally find in the occupation of the Rhineland a theme on which to base their claim to be as good Germans as non-Socialists, all the more so as it is a convenient method for binding closer the understanding with the Centre Party in the Landtag, the main bulk of whose electors are resident in the territories in foreign occupation. On the question of the occupation, therefore, being as it is almost entirely a Prussian question, Stresemann is not likely to find support for his common sense views in the only party in Prussia to which on other grounds he could appeal with the greatest hope of success.

Another most unfortunate factor, which again touches on national characteristics, is present to thwart poor Stresemann on this subject. The personal squabbles and jealousies of the various factions in the German Parliaments and of the various leaders of these factions, both with regard to each other and in respect of the members of their own parties, require to be experienced to be believed. I was much interested the other day to read a despatch from Lindley¹⁸ in which he analyses certain aspects of the Norwegian character, for I think a great part of it applies with equal truth to this country. We in England are so accustomed to national unity on certain questions affecting national interests that we take this state of affairs for granted. It would to us be unbelievable that in any question imperilling the essential interests of Great Britain, responsible Ministers or Statesmen, or ex-Ministers or Statesmen, out of pure motives of personal jealousy and in order to 'get the other fellow out' should deliberately adopt an attitude contrary to his clear national duty. But I am sorry to say that in Germany such a happy state of affairs does not exist, but the exact contrary. The personal hatreds and jealousies are perfectly incredible. Stresemann, for instance, is surrounded by enemies. They cannot upset him because, as he once said to me, no Government can do without the Volkspartei, but they grudge him every recognition and seek to belittle every service. The more, therefore, it might be explained to the Prussian Social Democratic Minister of the Interior that he was hindering the prospects of Stresemann in the beneficial foreign policy which the latter was pursuing, the more would such representations probably encourage that Minister to continue his nefarious efforts with the express object of spoiling Stresemann's chances of success in order to belittle his adversary and thus satisfy the mean desire for increased influence, or perhaps indeed only just his own feeling of 'Schadenfreude'.¹⁹ To such an extent is this an unknown British characteristic that I cannot even find a satisfactory translation of this word in the English language.

So much for the agitation with regard to the occupation of the Rhineland. In so far as the two outstanding disarmament questions are concerned, it looks at present as if a settlement would be reached. Personally I think that the Government Departments concerned were originally desirous of

¹⁸ Sir F. Lindley was H.M. Minister at Oslo. The reference was evidently to his despatch No. 315 of December 13, 1926 (not printed).

¹⁹ Malicious delight.

reaching no settlement on the war material question for the simple reason that they understood that reference to the Council of the League of Nations meant ultimate reference to arbitration, and thought that in any arbitration proceedings the Germans would win their case. However, this matter is outside my province. It must also be remembered, as one of those little asides which help to illustrate the difficulties of a question, that when Stresemann talks to the industrialists, he is talking to people for whom he has a great respect. It must not be forgotten that Stresemann was originally the Secretary of a Federation of Business Men. He has been accustomed in his youth to look upon these big industrialists as very great men, and when he meets them now he is apt to lapse into the past and to forget that he is now Minister for Foreign Affairs and a more important man in the world than they are. Also the big industrialists are the main supporters of his party.

There is another question which I might as well mention since I am writing to you, and that is the question of the Corridor. I have ventured to suggest that this question will be raised more or less acutely within an appreciably short time after the more immediate question of the occupation shall have been settled. It is interesting in this connection that in the Secretary of State's despatch No. 15²⁰ of the 12th instant to Warsaw, he says that M. Zaleski had reported from Geneva that Schubert had said to him that no important step in German-Polish relations could be expected until Poland had agreed to return the Corridor and part of Silesia. Schubert adopted the tone of 'more in sorrow than in anger' when speaking to the Ambassador on this subject, as reported in Sir Ronald Lindsay's despatch No. 24²¹ of the 15th instant, and explained away what he may have said to Zaleski by stating that 'what he had in mind was that perhaps some day, though not for a long time yet, it might be possible to induce Poland to abandon the Corridor and Upper Silesia against economic assistance by Germany'. This appears to me largely to confirm the truth of Zaleski's report. Why should a country give up valuable territories in return for economic assistance, whatever that may mean, in the distant future, when as that country probably thinks, such economic assistance will equally well be forthcoming from elsewhere at the proper moment? In short the question of the Corridor is already being raised in a tentative manner, and will probably be raised in a more distinct manner and in a more determined tone of voice when the other outstanding questions shall have been got out of the way.

This is a long and discursive letter but I do not mind putting down rambling thoughts in a private letter to you, which I hope it will not take you very long to read. The burden of it and its conclusions are meant to be:

- (1) that I entirely agree that there is a most unfortunate and unjustifiable propaganda against the occupation of the Rhineland inspired chiefly

²⁰ No. 393.

²¹ Not printed. The most important point made by Herr von Schubert in this conversation on January 14 was that cited below.

- by the German view that the best way to get a concession out of somebody is to bully that somebody;
- (2) that this propaganda and press campaign is unfortunate since it defeats the aim desired, in view of its reaction in France;
 - (3) that there is, from a general point of view, no particular feeling in Germany on this question, and that the press propaganda is largely fictitious in so far as it claims to represent a state of public opinion;
 - (4) that Stresemann is quite intelligent enough to see the folly of all this, that he would like to stop it, but cannot be sure of success, and that representations only serve to remind him of his impotence, although useful in themselves as enabling him to attempt to exert further pressure;
 - (5) that his impotence is largely due to the fact that he does not govern Prussia and cannot exercise authority over the Prussian Government since he belongs to a party which has gone into opposition in Prussia;
 - (6) that the mainspring of the propaganda resides in members of the Prussian Government and their officials who influence the press in that direction, all the more so that Stresemann begs them to desist;
 - (7) that this attitude of the Prussian Government is due to two causes (a) the necessity of finding some theme on which to beat the patriotic drum, and (b) the desire to be as disagreeable as possible to Stresemann, and thus to show him, according to true German methods, that he is not the great man that he thinks he is;
 - (8) Finally a side issue of this letter is that so far as can be seen, the prophecy that the German Government would raise the question of the Corridor at the first favourable opportunity is likely to be realised, and that indications are already not wanting to this effect.

Yours ever,
JOSEPH ADDISON

No. 420

Mr. Addison (Berlin) to Sir A. Chamberlain (Received January 23, 9.30 a.m.)
No. 9 Telegraphic [C 656/11/18]

BERLIN, *January 22, 1927, 8.15 p.m.*

War material negotiations.

Agreement was reached yesterday between Commission of Control and German negotiators.¹ Agreement was approved by German government

¹ In this connexion General Wauchope reported as follows on January 22:

'In order to arrive at this settlement of the question, the importance of which I have always recognised, we have had to make a concession so as to interfere to the least extent possible with German industry.

'On the other hand, the Germans have conceded very much more in order to meet our views. Definite restrictions will be fixed by law forbidding the possession of stocks, and import of special machines and tools for manufacture of war material, and only allowing the export to fulfil definite orders. We have maintained the definition "destinés aux buts de

this afternoon and will reach Paris on Monday.²

Addressed to Foreign Office No. 9, repeated to Paris.

guerre"; this particular affair has been settled by agreement with the German Government, which is an added reason to rely on the German Government maintaining this law and acting in good faith in the future. Other advantages must not be forgotten. . . . on the question of half wrought material, warships, and items of lesser importance, our demands are sufficiently satisfied.

'Consequently, if the Conference of Ambassadors endorse our opinion, this question may be considered to have been satisfactorily settled, and without resort to arbitration, before January 31st. . . .

'The change during the recent negotiations of the first proposals submitted by the German representatives and their final proposals submitted last night is quite extraordinary. It would have been quite impossible to have accepted the first proposals, but you will remember that all through this discussion I have said that I felt that if we held out until the eleventh hour, the Germans would give way.

'Three days ago when dining with His Excellenz [*sic*] Herr von Schubert, I told him that I could never advise my Government to accept the German proposals as then submitted. He pointed out the great advantages there would be in settling the question without going to arbitration. I said, to make use of those advantages, it would be necessary for the German representatives in the present negotiations to accept our point of view as regards facilities for German mobilisation. On the other hand I said we would raise no difficulty as regards import, and had no wish to interfere with legitimate German industry.

'The final proposals of the German representatives show that this conversation had some effect.'

² January 24, 1927.

No. 421

Sir A. Chamberlain to Mr. Addison (Berlin)

No. 10 Telegraphic [C 639/11/18]

FOREIGN OFFICE, *January 24, 1927, 3.15 p.m.*

Sir R. Lindsay's despatch No. 22¹ (of the 14th January. German disarmament).

The German Ambassador left with me on the 20th January a detailed reply from Dr. Stresemann to the representations which Sir R. Lindsay had made to him on my instructions. See my despatch No. 105² (of the 20th January). While not receding in any way from the views expressed in my despatch No. 62,³ I do not desire to renew the controversy at the moment except on the question of disarmament.

You will have seen from Paris telegram No. 20,⁴ repeated to you, that the French government are still unsatisfied with the progress of negotiations regarding the eastern fortifications. Please see Dr. Stresemann at once and renew your representations to him on this point.

Repeated to Paris No. 20⁵ (By Bag).

¹ No. 400.

² No. 417.

³ No. 392.

⁴ See No. 416, note 2.

⁵ In Foreign Office telegram No. 21 to Paris of January 24 in reply to Paris telegram No. 20, Lord Crewe was referred to No. 400 and the present telegram and instructed to inform the French Government.

Memorandum by Sir A. Chamberlain¹

[N 342/209/38]

*Secret*FOREIGN OFFICE, *January 24, 1927**Diplomatic Relations with the Soviet Government*

Before the Cabinet separated for the Christmas holidays, it was agreed that we should take into renewed consideration our relations with Russia as soon as convenient after the recess. But before Parliament adjourned, the Prime Minister received privately representatives of that section of our Party in the House of Commons, which has been most forward in pressing for the breaking off of diplomatic relations, and at Mr. Locker-Lampson's suggestion a memorandum was prepared by Mr. Gregory of the Foreign Office on the diplomatic and international consequences of such a breach and submitted for the Prime Minister's information.

I now circulate this Memorandum (N 5670/387/38)² to the Cabinet.

The proposal to break off diplomatic relations with the Soviet Government raises issues of equal importance in the two spheres of foreign and domestic policy. I recognise that it cannot be treated as purely a question of foreign policy, but before dealing with its domestic aspect, I should like to supplement Mr. Gregory's Memorandum by one or two observations of my own on that side of the question.

PART I

Effect on Foreign Relations

There are certain considerations to which I desire to draw the special attention of my colleagues.

1. The mere breaking off [of] diplomatic relations would mark our displeasure and indignation at the unfriendly action of the Soviet Government in a striking and even sensational way, but it would not be a fatal or, in my opinion, even a serious blow to them, and what effect it had in this respect would rapidly wear off. It might possibly be followed by similar action by Italy, though not if their breach with us led the Soviet Government again to place trade orders with Italian firms. It would not, I think, alter the policy of the United States of America, which have not recognised the Soviet Government, nor that of France which has recognised and is again trying to negotiate a commercial treaty. It might lead the Soviet Government to show itself more yielding in these negotiations.

2. It would, as Mr. Gregory says, have a very disturbing effect on Germany and throughout eastern Europe. Poland under Marshal Pilsudski is showing great restlessness; his policy is uncertain, the language which he has held to the French Ambassador is disquieting. Monsieur Zaleski, the Polish Foreign Minister, has, I believe, no desire for adventure. I cannot say the same of the Marshal, and I cannot forecast the effect on him of such

¹ This memorandum was circulated to the Cabinet.² No. 350.

action on our part. Any disturbance in those parts must gravely affect the Baltic States. Lithuania would probably be thrown completely into the hands of the Soviet Government.

3. The effect in Germany might be formidable. The Nationalists of Germany have throughout based their opposition to the Locarno policy on the thesis that good relations with Russia are, as Bismarck held, of vital consequence to Germany, and that Locarno was a British trap to involve Germany in Britain's quarrel with the Soviet. I cannot doubt that an open breach between Russia and ourselves would gravely embarrass Dr. Stresemann in the pursuit of his policy of reconciliation with the West. It would certainly encourage the Nationalists in their hope that presently with the aid of Russia they will be able to challenge the settlement of the eastern frontiers. The consequences might be particularly serious if, as at this moment seems probable, the Nationalists join the Government.

4. Turkish policy is undecided. Turkey is at this moment hesitating between reliance on Russia and reliance on the League of Nations. She fears Italy. Without the special guarantee of a great power, she is afraid that the League might prove an insufficient protection and that reluctance to offend Italy might bias the Council's judgment in a dispute. She, therefore, hesitates to abandon the support of Russia whose good-will she would forfeit by giving a western orientation to her policy and by joining the League. I think that our action would alarm her and thrust her back on Russia.

5. For similar, though not quite the same reasons, the effect on British influence and interests in Persia might be bad. The breach would stimulate the anti-British activities of the Soviet Government in Persia. Persia fears Russia more than us, and this fear is the source of much of our difficulty in Persia, for it prevents Persia from giving us satisfaction lest by so doing she incur the active hostility of the Soviet. The greater the tension between Russia and Britain, the more acute will this fear be.

6. Since the breach of diplomatic relations will not seriously weaken the position of the Soviet Government, it cannot be expected that it will lead to a change of policy on their part. It will merely cause them to intensify all the acts of which we complain. What then is to be the end? We have shot our bolt. Short of declaring war, there is nothing more which we can do. The situation will continue indefinitely. I can see no prospect of its leading to conditions in which we could resume relations or even renew negotiations with any prospect of success.

PART II

Effect on the Internal Situation

I turn now to consider the effect of a breach on conditions in this country. That section of opinion which calls for the expulsion of the agents of the Soviet Government appears to think that the expulsion would put a stop to Bolshevik propaganda here. In this they are clearly wrong.

It would not prevent propaganda in this country nor stop the transfer of money to this country for use in communist agitation. Neither would it prevent communication between the two countries or the visit to Soviet Russia of deputations of British nationals or even of school children intended to be indoctrinated with Bolshevist ideas. The Home Office holds that it is not expedient or possible to refuse passports in such cases, and it would be in accordance with recent practice—where there has been a breach of relations (without war) in recent years e.g. Mexico³—not to interfere with the issue.

It is difficult therefore to see what protection it would afford us which we do not already possess.

2. Trade interests (including Banking) as far as they were affected would be critical. They have done some business; if political conditions were not so uncertain, they believe that they could do more. From my experience in the Mexican case I should anticipate that there would soon be considerable pressure from this source for the resumption of diplomatic relations on trade grounds. This view would also be strongly pressed by the Labour Party. Exaggerated estimates of the possibilities of Russian trade would again become current and would be sedulously fostered from the Bolshevik side. It would be represented that we were aggravating unemployment and driving trade away.⁴

3. The events of last year—the General Strike and the Coal Strike—have left the Labour Party profoundly divided. The Moderates of Labour have become aware of the chasm opening at their feet. They know that they must either beat the extremists now or that they themselves are beaten and the

³ The British diplomatic representative had been withdrawn from Mexico in 1917. H.M. Legation at Mexico City had been entrusted to a *Chargé des affaires* from 1918 to 1924. Anglo-Mexican relations had been resumed in August 1925.

⁴ In a memorandum of January 28 the President of the Board of Trade stated in regard to British trade with the U.S.S.R. that 'it appears that Russia sells more than she buys in this country, and that our re-exports to Russia largely exceed our exports to Russia of United Kingdom goods. A large proportion of our exports of manufactures are being paid for by instalments, some of these transactions involving as much as 2 years credit. If there is a breach of relations the Russian Government (a) would probably stop purchasing in this country, and (b) might default on instalment payments for work already in hand in this country for Russia, though this would have a re-action on the credit of the Russian Government which they appear to be very anxious to build up and maintain. Nothing could be done to prevent the Russians from ceasing to buy here, and we should therefore lose a certain amount of trade. The only weapon we could turn against the Russian Government if they default in payments on their contracts would be to prohibit the importation of Russian goods. The United Kingdom is far the best market there is at the present time for Russian produce and they might be deprived of this market. But we should injure our own trade very seriously by such an embargo. Imports from Russia consist almost entirely of food and raw materials. Some, e.g. Bristles (one kind) and Platinum are essential, as Russia is the sole source of supply. The prohibition of others might raise prices and cause an outcry. A cumbrous licensing system would have to be set up for special cases and for existing contracts. Moreover, we should have to institute a system of certificates of origin for similar imports from neighbouring countries. This would be an impediment to trade with those countries. The only article we could prohibit with comparative ease would be oil. Prohibition would of course require legislation. In view of all the difficulties I think the weapon of embargo must be ruled out.'

control of the party passes into Red hands. This seems to me to be the biggest issue in domestic politics at the present time. The immediate effect of a Red victory would no doubt be to alarm the country and to strengthen our own Party position, but its ultimate consequences might be disastrous in their effect on the industrial position and life of the nation. We have in any case to deal with some very delicate questions in regard to Trade Disputes and the position of Trades Unions. I conceive that it would be in the highest degree inexpedient to complicate these issues and to render their settlement more difficult by introducing a distinct political issue drawn from the field of foreign policy and likely to reunite in opposition to us the parties who are now so sharply divided among themselves.

Can it be doubted that this would be the result? There has been no real opposition to our Russian policy so far. The MacDonalds and Thomases, the Snowdens and Clynes⁵ of the Labour Party know that the Soviet is as much their enemy as ours, that indeed they are the first objects of its animosity. But on this new issue they would be forced to combine with those in their own ranks whom they ought to be fighting. They would be swept off their feet even if they wished to support us, but all their past utterances go to show that on this point they would be in agreement with the extremists within their own party and would be forced to unite with the avowed Communists outside it.

Mr. Lloyd George is a somewhat erratic politician, but on this matter he has always held the same view, contending that the only way to break down Bolshevism and to destroy or modify the Soviet system is not by ostracising Russia but by cultivating relations between Russia and the outside world. He would have liked to go much further at Genoa than the then Cabinet would sanction. It would certainly be consistent with all his past utterances and with what little I know of his present views to denounce our action as impolitic. I regard it as certain that he would do so, and I do not think that we could count on any support from the Grey Liberals. We should thus present both Oppositions with a cry on which they could all unite, and the extremists would suddenly find that they had been presented with a victory at a moment when it is to be devoutly hoped that they are going to be thoroughly crushed.

A. C.

⁵ Mr. J. R. Clynes had been Lord Privy Seal in 1924.

No. 423

Letter from Mr. Holman (Paris) to Mr. Troutbeck

[C 762/11/18]

PARIS, *January 24, 1927*

Dear Troutbeck,

I enclose herein for your information copy of a letter together with a draft proposal from the Military Attaché to the War Office on the subject of the

Koenigsberg fortifications question. General Clive tells me that up to the present he has heard nothing further on the question from either Forster or Von Pawelsz.

Yrs. ever

ADRIAN HOLMAN

ENCLOSURE 1 IN No. 423

General Clive (Paris) to the War Office

No. 33/A/11 (2729)

Copy

PARIS, *January 22, 1927*

In continuation of my 33/A/11/(2728)¹ of to-day's date.

Monsieur Massigli asked to see me yesterday afternoon, on the subject of the fortifications. He had been present at an interview between the German Ambassador and Monsieur Berthelot that morning, from which it was clear that the Germans would have great difficulty in giving a formal acceptance of the Allied Jurists' opinion of Articles 180 and 196.² He also told me that a failure to settle this question by the end of January would place Monsieur Briand in a very difficult position. Could anything be done to bring about a settlement?

So I went to General Baratier, and suggested our drafting out something for General von Pawelsz to put up to the C[omit  ] M[ilitaire] A[lli   de] V[ersailles] which would secure the future observance of Articles 180 and 196, and open the way to a discussion of possible concessions as to existing defences.

We drafted the attached paper (Marked 'A').

Doctor Forster came to see me this morning, and I gave him the paper, for General von Pawelsz to think over.

G. S. CLIVE

ENCLOSURE 2 IN No. 423

Draft Proposals 'A'

I. Le Gouvernement Allemand, (3^e comme suite    l'interpr  tation donn  e aux articles 180 et 196 par la R  solution du 3 d  cembre 1926 de la Conf  rence des Ambassadeurs,³)

S'engage

- (1)    d  finir la zone dans laquelle doit   tre comprise le syst  me de ses fortifications orientales et m  ridionales de la mani  re suivante:—

Cette zone est comprise entre les fronti  res orientales et m  ridionales actuelles de l'Allemagne et une ligne passant par . . .⁴ (Note Y).⁵

¹ This report to the War Office is untraced in Foreign Office archives.

² Of the Treaty of Versailles: see No. 313.

³ *Note in original:* 'Or . . . d  sireux d'entier [entrer] dans les vues de la Conf  rence des Ambassadeurs qu [au] sujet des fortifications des fronti  res est et sud de l'Allemagne . . . [punctuation as in original].'

⁴ Punctuation as in original.

⁵ See enclosure 3 below.

- (2) à conserver à cette zone les propriétés défensives du système des fortifications existant à la signature du traité; c'est à dire, à ne laisser subsister dans cette zone que les ouvrages recensés en 1920 par la Commission de Contrôle, étant entendu que les dits ouvrages ne seront ni augmentés numériquement, ni modifiés dans leur nature ni leur emplacement. Toutefois le Gouvernement Allemand sera autorisé à remplacer dans la constitution de ces ouvrages les matériaux périssables par du béton ou de la maçonnerie.
- (3) à reconnaître qu'il n'a pas été construit dans la zone définie du (1) d'autres abris que ceux signalés à la C[ommission] M[ilitaire] I[nter-alliée de] C[ontrôle].

II. Par modifications aux dispositions du paragraphe (2) ci-dessus, les Gouvernements Alliés considèrent que les ouvrages [*sic*] créés depuis 1920 à . . .⁴ (Note Z).⁵ ne sont pas de nature à modifier le caractère défensif de l'ancien système de fortifications et peuvent être conservés.

Les ouvrages en question seront en conséquence portés sur le relevé des fortifications établi par la C.M.I.C. et considérés comme existant à l'époque du recensement.

ENCLOSURE 3 IN No. 423

Notes by General Clive

PARIS, *January 22, 1927*

The report made on these defences in 1920 is complete down to the last details. As far as I can make out, General Nollet has one copy, General Walch the other. The former copy has now been lent to the C.M.A.V. As this report was drawn up in cooperation with the German Authorities, there is every reason to accept it as the official record of the system which is to be maintained.

Y. This line, drawn on the 1920 maps, gives a depth of from 50 to 100 kms. to the frontier zone. It is important that the depth of the zone should be fixed, if only in order to protect the Germans from being accused of breaking Article 180, if they chose to make a line of forts, say, round Berlin.

Z. The list of these works would be a matter for discussion between the C.M.A.V. and General von Pawelsz. The French would be prepared to allow all the Lötzen works to stand, also those about Küstrin which are on the left bank of the Oder.

In General v. Pawelsz' 'explanations' of the 19th January,⁶ he did not claim to retain those on the right bank of the Oder, nor those in front of Glogau. The Koenigsberg works will be the difficulty; but so long as we know how many and where and what they are, and with the promise that no more are made, we might get the French to let them stand too.

G. S. CLIVE

⁶ Enclosure in No. 414.

No. 424

Mr. Addison (Berlin) to Sir A. Chamberlain (Received January 25, 11.15 p.m.)
No. 11 Telegraphic [C 754/11/18]

BERLIN, January 25, 1927, 9.25 p.m.

Your telegram No. 10.¹

It was impossible to see Minister for Foreign Affairs owing to continued party negotiations but I have just made representations in the sense desired to Secretary of State.

His Excellency said that you could rest assured that German government were doing, and would continue to do their best to reach an agreement. He thought situation to which I referred was now not the same in that C[omit ] M[ilitaire] A[ll  de] V[ersailles] had handed proposals for a settlement to Doctor Forster on January 22nd. These proposals had been carefully examined yesterday in consultation with General Heye and German counter proposals had been telegraphed to Paris last night. Colonel Michels, General Heye's right hand man had also left for Paris last night in order to furnish such explanations as would assist negotiations and had been instructed to do all he could to remove difficulties and not to create any.

Secretary of State said that modifications contained in German counter proposals so far as he could judge in a technical question were of a minor character and did not affect main stipulations of draft agreement. He had every hope that matter could now be rapidly settled.

¹ No. 421.

No. 425

Letter from Mr. Holman (Paris) to Mr. Troutbeck
[C 774/11/18]

PARIS, January 26, 1927

Dear Troutbeck,

I am sending you herewith copy of a letter addressed by the Military Attach  to the War Office enclosing the text of the proposals just submitted in writing by General von Pawelsz to the Versailles Committee. You will observe that they will be discussed by the Versailles Committee at their meeting this afternoon. In conversation with Massigli this afternoon he told me that the new proposals showed progress as regards the future, but that as to the past the Germans must agree to the destruction of certain of the fortifications at least around Koenigsberg, as it was not only a military but a political question as well. I gathered from him that Foch has been proving very obstinate and troublesome throughout the negotiations.

I also enclose the text of the draft letter to the Ambassadors' Conference containing the instructions to the experts attached to the various Embassies in Berlin. This draft has been circulated to the various members of the

Versailles Committee and has already been forwarded by the Military Attaché to the War Office for any observations both by them and the Foreign Office. It seems to me that the draft in question, which will in due course be submitted to the Ambassadors' Conference for approval, should meet the views of His Majesty's Government.

The Military Attaché tells me that the draft agreement with Germany on the subject of war material will in all probability be examined by the Versailles Committee tomorrow.¹ So far I have been unable to secure a copy of the agreement from the Quai d'Orsay but I will not fail to let you have copies as soon as they have been circulated. The Military Attaché has forwarded a copy to the War Office and I sent the Naval Attaché's copy to Harvey² last night for his information on the subject of naval war material. I believe, however, that it contained the observations of the Commission of Control only as regards naval questions.

It is very probable that there will be a meeting of the Conference either on Saturday³ or Monday next.

Yrs ever,
ADRIAN HOLMAN

ENCLOSURE 1 IN No. 425

General Clive (Paris) to the War Office

No. 33/A/11(2732)

PARIS, *January 25, 1927*

With reference to my letter 33/A/11(2729)⁴ of 22nd January, 1927, on the subject of Fortifications, nothing further transpired till the afternoon of the 24th, when M. Massigli told me Dr. Forster expected to receive instructions from Berlin on the morning of 25th, and would then ask the Versailles Committee to 'resume negotiations'. In view of the extreme unlikelihood of the C[omit ] M[ilitaire] A[ll ] de V[ersailles] agreeing to meet General von Pawelsz and 'negotiate', without having first received a written answer to their last communication (of 20th January),⁵ I asked Dr. Forster to come and see me. He confirmed what M. Massigli first reported, said that the document⁶ I had given him had been transmitted to Berlin, and that there was reason to hope this would be adopted as a basis of future discussion. I said he would get no discussion until General von Pawelsz provided the basis in a written answer; and that this basis could only be the undertaking by the German Government to make no additional defences in the future.

This morning, General von Pawelsz and Dr. Forster came to see me. The instructions from Berlin authorised them to give the undertakings for the future (subject to a slight modification as to defining the frontier zone), on

¹ See No. 430.

² A member of the Central Department of the Foreign Office.

³ January 29, 1927.

⁴ Enclosure 1 in No. 423.

⁵ No. 418.

⁶ Enclosure 2 in No. 423.

condition that the Allies allowed them to keep their new works at Koenigsberg, Lötzen and Glogau.

It took a great deal of argument to persuade the General to put forward the proposal in writing; he said he had written twice and only received a rebuff, and he was not going to risk a third. In the end he consented with the stipulation that the condition as to existing works must be put before the engagement to make none in the future; and the letter was drafted by Dr. Forster, in this office.

The letter (attached, marked 'A'),⁷ was received by Marshal Foch's Staff about 4.p.m., when I was there. The French agree that this marks a step in advance.

A meeting of the C.M.A.V. will be held to-morrow at 3 p.m. to discuss it, and I hope that the German delegates will be invited later.

With regard to the proposals, it seems to me that if they assure the future, it matters little if the form of the letter conveys an idea of mutual concession.

As to the retention of existing works, there will be some trouble over those at Koenigsberg. But with these in a state of incompleteness, with the German undertaking to make no more, and since it is not a new line, I hope to persuade the French that they are not offensive in character, and may be retained. If the terms of Article 196⁸ are held to forbid them, this is a matter for the Ambassadors' Conference, not the C.M.A.V., to settle.

I should be glad to know if you agree?

G. S. CLIVE

ENCLOSURE 2 IN No. 425

Letter from General von Pawelsz to General Baratier

Copie

PARIS, le 25 Janvier 1927

Mon Général,

En vous accusant réception de votre lettre du 20 Janvier 1927, No. 45,⁹ ainsi que de la Note du C.M.A.V. de la même date,⁵ j'ai l'honneur de vous envoyer les propositions ci-jointes pour le règlement de la question des fortifications sur la base des conversations qui ont été tenues entre temps. Pour les négociations sur les détails de ces propositions, pour lesquels je pourrais fournir les cartes nécessaires, je me tiens en tous temps à la disposition du C.M.A.V.

J'ai l'honneur, en outre d'appeler tout particulièrement votre attention sur le fait que mon Gouvernement ne peut se montrer disposer à des déclarations très larges visant l'avenir qu'à la condition qu'aucune modification ne sera proposée au contenu essentiel de ses propositions pour le passé.

Agréez, mon Général, l'assurance de ma considération distinguée.

S. PAWELSZ

⁷ i.e. enclosure 2 below.

⁸ Of the Treaty of Versailles.

⁹ Untraced in Foreign Office archives.

ENCLOSURE 3 IN No. 425

German Proposals

Copie

Sur la base des négociations qui ont eu lieu au sujet des interprétations données par la C[onférence des] A[mbassadeurs] sur les articles 180 & 196, il est établi ce qui suit:

1. Pour exclure tout doute pour l'avenir, le système des fortifications à la Frontière Allemande de l'est et du sud est fixé comme suit: il se compose des forteresses de Königsberg, Küstrin, Glogau, Breslau, Neisse, Glatz, Königsstein, Ingolstadt et Ulm.

Le rayon des forteresses isolées est fixé par les cartes donnant l'état en 1920.

2. Dans le rayon de ces forteresses, l'Allemagne peut conserver les propriétés défensives du système fortifié existant à la signature du Traité de Versailles. La C.A. est d'avis que les ouvrages construits depuis 1920 à Königsberg, Lötzén et Glogau ne changent pas le caractère défensif du système fortifié et peuvent, par conséquent, être conservés. Le Gouvernement Allemand s'engage à ne changer, dans le rayon des forteresses prises isolément, ni le nombre des ouvrages existants, ni leur nature, ni leur situation. Il est cependant fondé à remplacer le matériel périssable de ces ouvrages par du béton ou de la maçonnerie.

Le Gouvernement Allemand s'engage en outre à n'ajouter entre les forteresses visées au § 1 aucun ouvrage fortifié ou aucune position squelettique.

3. L'Allemagne donne l'assurance que dans le système des ouvrages fortifiés des frontières Sud et est aucun abri n'a été construit en dehors de ceux qui ont été communiqués à la C[ommission] M[ilitaire] I[n]teralliée de C[ontrôle].

ENCLOSURE 4 IN No. 425

Copie

Projet de lettre à la Conférence des Ambassadeurs

Le Comité Militaire Allié, après avoir consulté le Président de la C.M.I.C., a l'honneur de soumettre à l'approbation de la Conférence des Ambassadeurs les propositions ci-après concernant la mission, la désignation, l'organisation du travail et le paiement des Experts qui, conformément à l'Entente de Genève du 12 Décembre 1926, doivent être maintenus auprès des Ambassades Alliées à Berlin après le 31 Janvier 1927.

I. Mission des Experts. Le paragraphe 5 de l'Entente du 12 Décembre 1926 spécifie que 'Pour toutes les questions d'exécution concernant les solutions intervenues ou à intervenir chacun des Gouvernements représentés à la Conférence des Ambassadeurs pourra attacher à son Ambassade à Berlin un Expert technique qui aura qualité pour s'entendre avec les autorités allemandes compétentes.'

La mission des Experts sera par suite: 1) de poursuivre l'exécution des redressements de la Note Collective du 4 Juin 1925 (complétés par les accords

Germano-Alliés de Novembre 1925) qui n'auraient pas été complètement réalisés au moment du départ de la C.M.I.C., mais qui ont déjà fait l'objet de décisions de principes [*sic* ? principe]—2) d'en constater l'achèvement.

Dans la poursuite de l'exécution de ces redressements, les Experts auront à se prononcer seulement sur les questions qui ont été résolues en principe. S'ils avaient connaissance de questions nouvelles se rattachant à celles de leur compétence, ils devront en référer à la Conférence des Ambassadeurs par l'intermédiaire du Comité Militaire Allié.

II. Désignation des Experts. Afin de tenir compte de la compétence particulière de chaque expert et sous réserve de l'approbation de leur[s] Gouvernement[s] respectif[s], la désignation de ceux-ci pourrait être la suivante:

Belgique	— Major Pulinx
Grande Bretagne	— Colonel Gosset
France	— sera désigné ultérieurement
Italie	— Colonel Azzaretti [Azzariti]
Japon	— Le Représentant Militaire Japonais a déclaré ne pas être, pour le moment, en état de faire connaître si son Gouvernement pourrait maintenir un Expert à Berlin.

Chaque Expert disposera d'un Secrétaire-archiviste fourni par les soins de son Gouvernement.

III. Organisation du Travail

L'organisation du travail pourrait être envisagée comme il suit:

a) Les Experts sans se constituer en Comité d'Experts ou en Organe de liquidation, traiteront séparément avec les Autorités allemandes.

Mais, pour coordonner leur travail, les Experts se réuniront à date fixe dans une des Ambassades à tour de rôle sur un pied complet d'égalité sans qu'il soit constitué une présidence, pour y traiter les questions en instance. Au cours de ces réunions, ils arrêteront de concert les communications à adresser au Gouvernement Allemand ou les rapports à faire parvenir [à] la Conférence des Ambassadeurs par l'intermédiaire du C.M.A.V.

b) Les communications à adresser au Gouvernement Allemand, arrêtées comme il vient d'être exposé, seront faites à ce Gouvernement au nom de la Conférence des Ambassadeurs par un des Experts, désigné à cet effet au cours des réunions sus-visées.

c) Dans le cas où une communication à faire au Gouvernement Allemand ne réunirait pas l'unanimité des Experts, ceux-ci en référeront à la Conférence des Ambassadeurs.

d) Les rapports adressés à la Conférence des Ambassadeurs devront être signés par tous les Experts.

e) Chaque Expert relèvera du C.M.A.V. par l'intermédiaire du Représentant de son Gouvernement à ce Comité.

Les communications de la Conférence des Ambassadeurs au Gouvernement Allemand seront transmises par le C.M.A.V. au[x] différents Experts

qui désigneront celui d'entre eux qui devra les porter à la connaissance du Gouvernement allemand.

IV. Paiement des Experts.

L'entretien des Experts et celui de leur Secrétaire-archiviste pourrait être assuré par les soins de l'Agent Général des Paiements des Réparations par prélèvements sur les annuités du plan Dawes, de manière à ce qu'ils touchent les mêmes indemnités que celles dont ils jouissent actuellement à la Commission de Contrôle.¹⁰

¹⁰ Paris covering despatch No. 256 of January 30 (not preserved in Foreign Office archives) transmitted to the Foreign Office a copy of letter No. 77/1 of January 29 from Marshal Foch to the President of the Conference of Ambassadors. This letter, which was marked 'sous réserve de l'approbation du Représentant Militaire Britannique', was generally the same as the present draft except that: (i) in the second paragraph of Section I, clause (1) of the 'mission des Experts' ended '... décisions de principe ainsi que de tout autre redressement qui serait poursuivi par les Gouvernements alliés.'; (ii) Section II did not include the Japanese declaration; (iii) the second paragraph of Section III (a) began 'Mais, pour coordonner leur travail, les Experts se réuniront aux dates fixées par eux dans une des Ambassades sans qu'il soit constitué de présidence permanente, pour y traiter . . . '.

No. 426

Sir A. Chamberlain to the Marquess of Crewe (Paris)

No. 260 [C 795/100/62]

FOREIGN OFFICE, *January 27, 1927*

My Lord Marquess,

At the close of my conversation with the French Ambassador this morning, of which an account is given in other despatches,¹ I took the opportunity of saying to him that though the Chancellor of the Exchequer had not yet returned to London² and I had had no opportunity of seeing him, I understood that he was a good deal perturbed by the statement which M. Poincaré was reported to have made on the subject of the inter-Allied debts.³ Mr.

¹ See No. 388, note 4, for an account of part of the conversation relating to Italian-Serb-Croat-Slovene relations.

² See No. 466, note 5.

³ Foreign Office despatch No. 193 to Paris of January 20 had requested Lord Crewe to endeavour to confirm a report in *The Times* of that day that the French Government intended to postpone ratification of the agreements on war debts to Great Britain and the United States. Lord Crewe replied on January 21 in Paris despatch No. 179 that reports published in Paris agreed generally with that in *The Times*. According to these reports M. Poincaré had informed the Finance Committee of the Chamber of Deputies on January 17 that the United States Government had not put 'pressure on the French Government with a view to expediting the ratification of the Washington Agreement. The work of financial restoration, in which the Government was engaged and which was on the high road to being realised, as was evidenced by the valorisation of the franc, could only give the United States and the other creditors of France greater guarantees for the ultimate settlement of the debts. Monsieur Poincaré added that the Committee must be the judges of the most suitable moment to proceed with the consideration of the question, but he called their

Churchill felt that he might be placed in a very embarrassing position when Parliament opened and when he was asked to explain what exactly this meant and what had been the attitude of the British Government. Had not M. de Fleuriau asked to see me upon another subject I should not have thought of mentioning this matter until I had had a chance of talking with the Chancellor of the Exchequer, but as we had always treated one another with the greatest frankness I thought it better just to mention to him the difficulties which, I feared, might be in front of us.

M. de Fleuriau replied that he understood the public account of what M. Poincaré said was not quite accurate. He had just seen a representative of the French Treasury, and he thought it would be necessary for the French Government to propose a new provisional arrangement. It would be bad tactics to submit the debt agreements to the French Chambers until the proposals for the stabilisation of the franc were ready. If the debt arrangements were submitted separately, they would centre all hostility and criticism upon themselves and it would be a grave thing indeed if they were rejected.

I indicated to M. de Fleuriau that I did not find the suggestion of another provisional arrangement very attractive. I said, however, that I should not think of discussing the matter seriously with him or doing more than just warning him of the trouble which might be in store until I saw Mr. Churchill and learnt his views.

I am, &c.,

AUSTEN CHAMBERLAIN

attention at the same time to the dangers to the work of financial restoration which might accrue from any hasty or premature examination of the matter.'

Lord Crewe concluded: 'Although Monsieur Berthelot recently told Mr. Phipps that he thought Monsieur Poincaré meant to urge Parliament to ratify the agreements with some anodyne form of reservation (see my despatch No. 72 [not preserved in Foreign Office archives] of the 11th instant), I think that it is unlikely that this coalition Government will be inclined to proceed to the discussion of so contentious a measure until the necessity thereof be proved beyond all possible doubt.'

No. 427

Sir A. Chamberlain to the Marquess of Crewe (Paris)

No. 26 Telegraphic: by bag [C 760/3/19]

FOREIGN OFFICE, *January 28, 1927, 7 p.m.*

Your despatch No. 12¹ (of January 3rd).

There is hardly time now before the 31st January to enter into discussions with Germans regarding introduction by them at last moment of clause in

¹ This covering despatch is not preserved in Foreign Office archives. Enclosed therein were (a) a copy of a note by M. Massigli recording a conversation on December 31, 1926, with Herr Rieth, Counsellor in the German Embassy at Paris and (b) a copy of a German *aide-mémoire* of December 30: cf. *League of Nations Official Journal*, October 1927, p. 1347, for an English translation thereof. Both documents related to the affair of the *Salamis*. This cruiser had been ordered by the Greek Government from the Vulkan works at Hamburg in

draft law on war material which weakens the general prohibition to export warships which in view of the draft law as communicated to the Control Commission on December 3rd² we had every reason to believe was common ground to both parties.

Provided complete agreement is reached on all other outstanding points regarding war material, His Majesty's Government do not feel justified in suggesting that the Ambassadors' Conference should³ delay the final settlement by holding out on this particular point if Germans refuse to give way. To refer it to the Council of the League would give the Germans the opportunity at The Hague Court of arguing with probable success that article 1[92]⁴ does not compel German government to prohibit [the] exportation of any warships. Moreover as regards the new clause in the draft law, the German government might also successfully argue that the articles in the treaty forbidding the export of war material were designed to prevent the re-establishment of an armaments industry in Germany and that therefore export of a ship constructed before the war would not run counter to the objects which the framers of the treaty of Versailles had in view.

On the other hand we consider that the conference should make at any rate one attempt to induce Germans to withdraw the new clause on the ground that by inserting it at the last moment in the draft law they have gone back on their own proposals of December 3rd. But it should not agree to arbitrate should the Germans propose such a solution. If the conference fails in this attempt to get the clause withdrawn it would do well in acquiescing in its retention to address a note to the German government, in which it could be made clear that *[sic]*

(1) That it does not necessarily accept the arguments set forth in the German memorandum of the 30th December 1926;

(2) That the Ambassadors' Conference has never taken up a definite line as regards the 'Salamis' as implied in last paragraph of German memorandum, for by its resolution of October 11th 1920 it merely dealt with the question whether the ship should be broken up by the German government

1912, but neither construction nor payment had been completed by the end of 1914. On October 11, 1920, the Conference of Ambassadors informed the Greek Government, who had already made known their wish to cancel the contract and have their money refunded, that it should deal direct with the Vulkan works: *v. ibid.*, p. 1342. In July 1923 the Greek Government applied to the Graeco-German Mixed Arbitral Tribunal, established in accordance with article 304 of the Treaty of Versailles, for cancellation of the contract in virtue of articles 190 and 192 of the Treaty. In the present *aide-mémoire* (b) the German Government maintained that these articles did not apply to the *Salamis*. According to the note (a) Herr Rieth informed M. Massigli on December 31 that 'le Gouvernement allemand se proposait d'ajouter à la loi sur le matériel de guerre, actuellement en discussion, une "nouvelle" précisant que les interdictions contenues dans cette loi, notamment en ce qui concerne les bâtiments de guerre, ne concernaient pas l'exportation de navires dont il serait établi que la commande était antérieure au 1er août 1914'.

² Cf. No. 363.

³ The text of the fair copy of this paragraph is torn and has been editorially completed here and below in accordance with the approved draft of the telegram.

⁴ Of the Treaty of Versailles.

under article 186 without attempting to pronounce on the quite distinct question whether the vessel in its existing incomplete state was to be considered as war material for the purpose of article 192;

(3) That in acquiescing in clause 11 of the draft law,⁵ the conference in no way commits the Greek government to take delivery of the 'Salamis', and

(4) That it is of course understood that the clause does not permit the exportation of a ship partly constructed before August 1914 if such ship has since been completed and armed in Germany.⁶

⁵ i.e. the clause referred to in note 1 above.

⁶ H.M. Embassy embodied the text above in a note of January 30 to the Conference of Ambassadors (copy received in the Foreign Office under cover of Paris despatch No. 258, which was not preserved in Foreign Office archives).

No. 428

Sir R. Hodgson (Moscow) to Sir A. Chamberlain (Received February 8)

No. 67 [N 530/190/38]

MOSCOW, *January 28, 1927*

Sir,

With reference to your telegram No. 6¹ of the 19th January and to my reply thereto,¹ I have the honour to submit certain observations on the subject mentioned therein, namely the war scare which prevails in the Soviet Union today.

2. It is the case that every year, so far as I can remember, there has regularly been a war scare at about this season. It has, of course, varied in intensity according to circumstances and on each occasion it has been a matter for conjecture how far it was the result of genuine fear of aggression from outside, how far it was organised of set purpose to suit the needs of internal policy. In the present instance it becomes clearer every day that the panic which now exists, which is audible in every utterance of public men, and legible in every press leader, is not 'faked', at all events in essentials, but indeed represents the feelings and emotions of the Communist Party and the Soviet Government: further, that this state of nervousness has been successfully communicated to the people at large. Never has the impression been so general as it is this year that the enemies of the workers republic are preparing to arise and destroy it.

3. At a time when nothing is further from the minds of European statesmen than the desire to embark upon warlike adventures, it seems at first sight

¹ Not preserved in Foreign Office archives. Foreign Office telegram No. 6 to Moscow was evidently sent in connexion with a report in the *Daily Telegraph* of January 18 regarding a recent speech by M. Bukharin. Moscow telegram No. 6 of January 20 in reply stated, according to the docket, that a résumé of M. Bukharin's remarks had been sent to the Foreign Office and that 'there was nothing triumphant in them and eloquence is largely for home consumption'. M. Bukharin's speech in question was presumably that referred to in No. 415, note 3.

entirely incomprehensible that party leaders in Russia should be refractory to so palpable a truth. Yet the psychosis by which they are invaded—and of which Monsieur Chicherin more than any other is a victim—is perfectly intelligible given the peculiar mentality which circumstances have created in this country. The communist party was a conspirative organisation, nurtured on conspirative methods: its members have the psychology inspired by the surroundings in which they had their being: they came to power only through the social upheaval consequent upon the chaos which was the legacy of the war. Since then they have been busy inculcating a doctrine which is strange to the country upon which it is being inflicted, subversive of the principles of ordered government as understood elsewhere. When such a background exists, established conceptions of the logical and illogical may be discarded: intellects no longer respond to normal reflexes, for their owners scent hostility everywhere.

4. That the bourgeois should, sooner or later, make war upon them has, then, nothing surprising for the bolsheviks: on the contrary, doctrine tells them that it is in the inevitable sequence of things. Lenin realised—and expatiated upon the theme—that there is not room on one planet for the communist and the bourgeois to live side by side. The new order is subversive of the old, and those to whom the old order is dear have grasped this elementary fact no less clearly than have the communists. They will make desperate efforts to crush in time the peril—the ‘red monster’—which threatens their whole social structure. And so far as they can, they will select their own time for this operation: it will be a time when they are challenged in their dearest interests and the ‘red monster’ is hampered by a concatenation of political and economic difficulties. These postulates exist today. This, therefore, is the moment when, as the bolsheviks surmise, an assault may be anticipated. Having made up their mind that, objectively, the premisses for aggression exist, they are industriously seeking for concrete symptoms by which to confirm their previsions.

5. It is not a difficult task. The intervention of the Soviet trade unions, aided and abetted by the Soviet Government, in internal affairs in England has supplied to the world at large an ocular demonstration of the mischievous proclivities of communism: the activity of Soviet agents in China, and the results ensuing from it or attributed to it, have exacerbated public opinion in the countries whose interests are menaced: social-democrats have joined cause with bourgeois groups in Germany: the limitrophe states, impelled by the instinct of self-protection, are taking their own measures of defence. The tendency of the Soviet Republic, to use Lenin’s words, to group around it ‘on the one hand, the sovietist movements of the advanced working men of all countries on the other hand, all national movements of emancipation of colonies and oppressed nations’ has been visible in operation: it has done what it was bound to do—it has thoroughly exasperated the so-called imperialist governments. The most directly challenged of these, the most powerful and the most vociferous, is the British Government. A simple process of induction leads to the proposition that it is the British Government

which is co-ordinating and directing the forces which are to effect the counter-attack.

6. The first premiss then exists: imperialism is challenged in its vital interests. And communists are painfully conscious that the second premiss exists also. The party has just emerged from a series of violent discussions which have left it uncertain of itself and divided in its counsels. Stalin, who remains at its head, is an obstinate and resourceful party leader, but possesses neither the breadth of vision nor the knowledge required if he is to steer the socialist state through the present sea of troubles. And there are disagreeable social features which disquiet and alarm the party—there is discontent and dissatisfaction along [*sic* ? among] the professional classes, technical workers and the like, bureaucratism is a curse, anti-semitism is rife, and the centre is having an infinity of trouble in curbing the turbulent ebullitions of the various nationalities striving for independence promised them, but in fact withheld. Again, the policy of staking upon the poor and landless peasant and crushing the prosperous is recoiling upon the heads of the theorists who instituted it, for it tends to destroy in the person of the 'kulak' or propertied peasant, what is in fact the healthiest and most valuable element in the countryside. Yet it is difficult to go back on it without undesirable perturbations. Then, in the purely economic field, methods which seemed excellent in conception have proved in practice to be detestable: costs of production remain enormous and the processes of distribution are faulty: there has been an unprecedented goods famine which promises to be followed by a glut of unwanted goods. And unemployment and vagabondage show no signs of abating. In short the panacea which was to cure all evils has after a nine years experiment cured none: nor is there any particular reason for believing that what has failed so far will succeed in the future.

7. All this would be of relative importance only were the world revolution to be in sight. But it is not and communists feel that they have aroused the animosity of the outside world without bringing into being the state of affairs which should have protected them from the effects of that animosity. Small wonder that they are spending an infinity of time chattering about the form of the chastisement which the outraged imperialists and their satellites are preparing for them: are speculating as to whether they can hold out, and for how long, should their foes blockade Russian ports; discussing the effect that it would have upon their economy were the bourgeois to enter into a pact to boycott Russian business: comparing the resources of the proletarian army with those which their antagonists are likely to be in a position to array against them. And as, on the one hand, they have everything to fear from a military clash which would almost certainly mean their eventual downfall while, on the other hand, it is by invoking the spectre of war that they can best create the psychological conditions which they need, it is equally intelligible that they should undertake the campaign of which we are now witness and thereby check the lethargic tendencies to which a population, tired of war and growing sceptical of war scares, is beginning to succumb.

8. A copy of this despatch has been sent to His Majesty's Minister in Riga.

I have, &c.,
R. M. HODGSON

No. 429

Letter from Mr. Holman (Paris) to Mr. Troutbeck

[C 1008/11/18]

PARIS, January 28, 1927

Dear Troutbeck,

I send you for information copies of two letters from the Military Attaché to the War Office giving an account of what took place at the meetings of the Versailles Committee on January 26 and 27 in regard to the fortifications question.¹ A further meeting of the Versailles Committee will be held to-day when it is hoped that it may be possible to consider also the question of war material.

A meeting of the Ambassadors' Conference has now been fixed for Monday² next, when, amongst other questions, that of the draft instructions to the experts at Berlin will be considered. In my letter of January 26³ I sent you a draft proposal prepared by the Versailles Committee and circulated to the various delegates, and I should be grateful if you could let me know as soon as possible whether you would have any objection to instructions being sent to the experts in those terms. I am sorry to worry you, but I am anxious to have your views in good time.

Yrs. ever,
ADRIAN HOLMAN

ENCLOSURE 1 IN NO. 429

Letter from General Clive (Paris) to the War Office

No. 33/A/11(2733)

PARIS, January 27, 1927

In continuation of my 33/A/11(2732)⁴ of 25th January, 1927, on the subject of Fortifications, the C[omit ] M[ilitaire] A[ll  de] V[ersailles] met yesterday at 3 p.m.

The Military Representatives were first asked to give their views as to the new German proposals;⁵ all except the Belgian were of opinion that it showed a marked advance on former proposals.

¹ Attached to the filed copy of this letter were two documents, namely the letter of January 27 printed as enclosure 1 and the note marked B printed as enclosure 2. Enclosure 2 bore the following heading in the handwriting of Mr. Troutbeck, 'Proposal regarding eastern fortifications communicated by Versailles Com   to General von Pawelsz on Jan. 27, 1927': cf., however, enclosure 1. No further report by General Clive of a meeting on January 27 has been traced in Foreign Office archives.

² January 31, 1927.

³ No. 425.

⁴ Enclosure 1 in No. 425.

⁵ Enclosure 3 in No. 425.

Marshal Foch then produced a counter project, which he proposed to send round to the German Representatives (see Draft marked 'A').⁶ This was discussed; paragraph 1 was found to be unworkable, as several of the German fortresses are more than 50 kilometres from the frontier. I refused to lay down at this stage that all recently constructed works, except those at Lötzen and on the left bank of the Oder at Glogau must be destroyed; and insisted that the German Representatives should be heard in explanation of their proposals before we gave them a counter-proposal. Thanks to the support of the Italian Military Representative, these views prevailed, Marshal Foch's paper was redrafted (see Draft marked 'B'), and the German Representatives joined the meeting at 5.30.p.m.

General von Pawelsz first explained that Lötzen and Marienburg had been accidentally omitted from the list of fortresses. He was then asked the following regarding his proposals:—

- (1) To define further the region comprised in paragraph 1. He said that this included all ground between the fortresses, or the intervals between them, and the frontier. It was pointed out that Königstien [Königstein] was within a few kilometres of the frontier; and he said he could not alter that, and that Ulm and Ingolstadt were well over 100 kms. from it. Anyhow, that was the system referred to in the Treaty.⁷
- (2) How he justified his request to keep the new works at Koenigsberg in view of Article 196? His reply was that the Frisching and Deime Linien are not new lines, but replacements of old ones existing at the signature of the Treaty. These old ones arranged in depth and fully provided with abris, were already mostly demolished when the C[ommission] M[ilitaire] I[n]teralliée de C[ontrôle] made their investigation, because the German Government intended to replace them by a skeleton system; therefore only those that remained were inspected. Subsequently the C.M.I.C. informed the German Government that a skeleton system was contrary to the Treaty.

With the German undertaking to make no more works, the defences of Koenigsberg are considerably weaker than they were in 1920. If Germany has to destroy the new ones, she will be obliged to reconstruct the system as it was then, which is in accordance with the Treaty, and will strengthen her defences considerably.

- (3) How did he justify the retention of the works to the East and North of Glogau?

He replied that the 6 works to the East replaced a line that was fortified in 1920. The German Government has already renounced the plan of making more.

- (4) In asking for permission to replace perishable materials by concrete or masonry, what did he mean by perishable materials, and how far did these enter into the permanent work system of 1920?

He replied that by perishable material he meant earth and wood;

⁶ Untraced in Foreign Office archives.

⁷ Of Versailles.

that parts of the German system, such as the Wald Stellung, W. of Lötzen, was entirely composed of wooden block-houses. In a further discussion as to 'permanent' as opposed to 'field' fortifications, he said that the Treaty makes no such distinction, does not mention the word 'permanent', and allows the whole system to be maintained as it existed then.

- (5) Does the assurance given in paragraph 5 [3] refer to the whole area inspected by the C.M.I.C. in 1920?

He answered 'Yes'.

General von Pawelsz was then handed Marshal Foch's draft, and was asked if he would give us his observations to-day. Before leaving, he asked what he was to report to his Government; did the C.M.A.V., in view of the German offer to renounce the construction of more works, and those existing at Küstrin, agree to their keeping those already constructed at Koenigsberg, Lötzen and Glogau?

Marshal Foch said that we are not free agents, being tied by the Resolution of the Ambassadors' Conference of 3rd December, 1926, which declares them all illegal. Koenigsberg comes under the double objection of being contrary to Article 196. Lötzen was an old scattered position, and the new works might be kept; at Glogau the new works on the right bank of the Oder ought to be destroyed, those on the left bank might be allowed to stand; and similarly for Küstrin and Francfort-am-Oder.

The C.M.A.V. meets at 3.30 p.m. to decide among themselves what existing works we are prepared to leave them; and the German Representatives come at 5 o'clock after consulting their Government.

I think the matter will be settled.

G. S. CLIVE

ENCLOSURE 2 IN No. 429

B

Note

Sur la base des négociations qui ont eu lieu au sujet des interprétations données par la Conférence des Ambassadeurs sur les articles 180 et 196, et pour exclure tout malentendu dans l'avenir il est établi ce qui suit:

1°. Le système des fortifications des frontières allemandes de l'Est et du Sud sera maintenu tel qu'il a été relevé en 1920 par la C.M.I.C., étant convenu que, par frontières Est et Sud, il faut entendre la région qui s'étend depuis la ligne des places et organisations fortifiées relevées par cette Commission, ces places et organisations y comprises, jusqu'à la limite de séparation des Etats limitrophes.

2°. Seuls seront maintenus dans cette région les ouvrages de fortifications existant en 1919 et relevés par la C.M.I.C. en 1920, étant entendu que ces ouvrages seront conservés dans le nombre, la destination et l'emplacement qu'ils avaient à cette époque et qu'ils ne seront l'objet que de travaux

d'entretien. Aucun ouvrage ni abri nouveau ne sera construit dans cet espace, même en vue de remplacer d'anciennes organisations de campagne, actuellement nivelées.

3°. L'Allemagne donne l'assurance qu'il n'existe pas, dans la région définie au No. 1, d'autres ouvrages construits depuis le recensement que ceux, au nombre de 88, qui ont été signalés à la C.M.I.C.

Eu égard aux engagements contractés ci-dessus par le Gouvernement allemand, les Gouvernements alliés acceptent que le Gouvernement allemand conserve certains des ouvrages construits depuis 1920.

Ces ouvrages seront portés sur l'état de recensement établi par la C.M.I.C., et considérés comme existant à la signature du Traité. Tous les autres ouvrages construits depuis 1920 devront être détruits.

No. 430

The Marquess of Crewe (Paris) to Sir A. Chamberlain (Received January 31)

*No. 257 [C 836/11/18]**

PARIS, *January 30, 1927*

His Majesty's representative at Paris presents his compliments to the Secretary of State for Foreign Affairs, and has the honour to transmit herewith copy of a note from the Allied Military Committee of Versailles to the Ambassadors' Conference, dated the 28th January, 1927, respecting a German draft law on war material.¹

ENCLOSURE IN NO. 430

Marshal Foch to Conference of Ambassadors

PARIS, *le 28 janvier 1927*

Le C.M.A.V. a l'honneur de transmettre ci-joint à la Conférence des Ambassadeurs le nouveau projet de loi allemande concernant le matériel de guerre (importation, exportation, détention, &c.), accompagné de l'avis

¹ The German law of July 27, 1927, on war material which came into force on August 6 is printed in an English translation in *Board of Trade Journal*, May 17, 1928, pp. 637-8. This translation of the final text was substantially the same as the present, undated, draft in French except for the following points: (i) paragraph 3, item No. 23 (b) of the draft did not include the final phrase translated as 'specially adapted auxiliary machinery obviously intended for use with such boilers and main engines'; (ii) draft paragraph 3, item No. 39 (b) did not include a reference to item No. 23 (b); (iii) draft paragraph 3, item No. 41 read 'Produits chimiques, toxiques ou similaires' where the translation of the final text read 'Asphyxiating, toxic or similar products'; (iv) draft paragraph 4 did not include item No. 3 of the final text and items Nos. 3-7 of the draft were correspondingly renumbered 4-8 in the final text; (v) the references to paragraph 4 in item No. 3 of draft paragraph 5 were amended in the final text to take account of the addition and alterations noted in (iv) above; (vi) draft paragraph 9, item No. 3 (1) did not include references to item No. 23 of paragraph 3 or to the item corresponding to No. 8 (a) in paragraph 4 of the final text.

unanimement favorable de la C[ommission] M[ilitaire] I[n]teralliée de] C[ontrôle].²

1. *En ce qui concerne le Matériel militaire.*

Les points sur lesquels la conférence avait été amenée à prendre une décision³ visaient:

1. Les parties constitutives de certains objets considérés comme matériel de guerre (instruments d'optique, fusils, mousquetons, carabines, pistolets ou revolvers de guerre);
2. Les matières préparées et objets ébauchés destinés à la fabrication du matériel de guerre;
3. Les machines et outillages spéciaux destinés aux fabrications de guerre;
4. La limitation de l'outillage des poudreries et fabriques d'explosifs de paix;
5. Les sanctions contre les contrevenants.

Le projet de loi ne reproduit les stipulations de la décision précitée de la C[onférence des] A[m]bassadeurs que pour les parties constitutives des instruments d'optique, et pour les sanctions contre les contrevenants.

Sur les autres points, ce document ne s'y conforme pas entièrement.

Toutefois, la C.M.I.C. estime que le nouveau projet de loi donne toutes les garanties nécessaires en ce qui concerne *la fabrication, la détention et l'importation* en Allemagne de matériel de guerre.

Le Gouvernement allemand s'engage en effet à n'entretenir en territoire allemand que le matériel de guerre dont est régulièrement dotée l'armée allemande, et dans les quantités autorisées par le traité.⁴ Au point de vue du régime intérieur de l'Allemagne, toutes les parties constitutives et les ébauches des armes, munitions et matériels divers sont, ainsi que l'outillage servant aux fabrications, considérés comme matériel de guerre.

La C.M.I.C. a donc, au point de vue du régime intérieur de l'Allemagne, obtenu satisfaction complète; elle a, par contre, dû faire certaines concessions relativement à *l'exportation* pour des matériels d'importance secondaire.

C'est ainsi que l'Allemagne pourra:

1. Exporter des ébauches de fusils, mousquetons, carabines et étuis de cartouches;
2. Fabriquer pour l'exportation le matériel spécial pour fabrications de guerre, étant entendu que ce matériel aura fait l'objet de commandes réelles de l'étranger.

Mais les usines qui recevront ces commandes ne pourront entreprendre des études de montage de fabrication pour des matériaux dont le Traité de Versailles interdit la possession aux forces armées allemandes.

² The enclosures in Marshal Foch's note are not printed.

³ See No. 375.

⁴ The Treaty of Versailles.

Ces mêmes usines ne pourront pas non plus avoir des bureaux d'études permanents pour les études de matériel et de fabrication de matériel interdit à l'armée allemande.

3. Exporter du matériel de harnachement, à condition que ce matériel ait fait l'objet de commandes réelles.

2. *En ce qui concerne le Matériel aéronautique.*

Le projet de loi ne fixe aucune prescription.

La Commission des Clauses aériennes a en effet estimé, d'accord avec le Gouvernement allemand, qui a fait une déclaration écrite à ce sujet, que les accords germano-alliés du 22 mai 1926⁵ étaient suffisants pour assurer le règlement de la question et donner des garanties considérées comme indispensables par la C.M.I.C. au sujet du stockage des parties constitutives.

3. *En ce qui concerne le Matériel naval.*

Les experts navals adresseront directement à la Conférence des Ambassadeurs l'accord réalisé sur les points restés en discussion.

En conséquence, le C.M.A.V. a l'honneur de soumettre à l'approbation de la Conférence des Ambassadeurs le projet de loi ainsi que les propositions de la Commission des Clauses aériennes au sujet du matériel aéronautique.⁶

Il a, en outre, l'honneur de lui demander qu'en notifiant sa décision au Gouvernement allemand, la conférence veuille bien lui faire connaître que les redressements concernant l'importation, l'exportation, la fabrication et la détention du matériel de guerre visés aux chapitres VI et VII de l'annexe à la note collective du 4 juin 1925,⁷ ne seront considérés comme intégralement réalisés que:

1. Lorsque le projet aura été voté sans modification par les organes législatifs allemands;
2. Lorsque la liste des usines autorisées par la C.M.I.C. pour la fabrication des armes, munitions et matériel de guerre aura été publiée officiellement par le Gouvernement allemand;
3. Lorsque le Gouvernement allemand aura signé les divers engagements relatifs à l'usage des droits que lui donne ledit projet de loi de prononcer des limitations dans l'outillage ou la fabrication de certaines usines, engagements dont les textes ont été communiqués sous forme de projet à la C.M.I.C.

Le C.M.A.V. estime en outre qu'il y aurait intérêt qu'il fût spécifié au Gouvernement allemand que les possibilités d'exportation ne visent que les Puissances pour lesquelles l'interdiction d'importer du matériel de guerre n'est pas en vigueur.

FOCH

⁵ See No. 29.

⁶ Not attached to filed copy: cf., however, No. 431.

⁷ See Cmd. 2429 of 1925.

*Exchange of notes between Herr von Hoesch and M. Briand (Paris)*¹

[C 1022/11/18]*

(1)

Herr von Hoesch to M. Briand

Traduction

PARIS, le 30 janvier 1927

M. le Président,

Dans la lettre² adressée en date du 8 décembre 1926 par le président de la C[ommission] M[ilitaire] I[nteralliée de] C[ontrôle] au commissaire du Reich et représentant du Gouvernement allemand vis-à-vis de ladite commission, le Général Walch a réclamé l'intercalation au § 3 du projet d'une loi sur le matériel de guerre des dispositions ci-après:

- (a) Tous les types d'aéronefs interdits conformément à l'Accord aéronautique signé à Paris le 22 mai 1926.
- (b) Tout engin de guerre pouvant être utilisé aux fins d'armement aérien.

Au cours des négociations verbales qu'ils ont eues avec les représentants de la C.M.I.C., les représentants du Gouvernement allemand ont fait observer que l'interdiction prévue ci-dessus sous (a) est déjà comprise dans les ordonnances sur la construction d'aéronefs et sur les avions sans pilotes, édictées en vertu de l'Accord aéronautique de Paris, et que les engins de guerre, mentionnés ci-dessus sous (b), sont déjà touchés par d'autres dispositions contenues dans le § 3 du projet d'une loi sur le matériel de guerre, en sorte que l'incorporation dans le projet de loi des dispositions spéciales proposées concernant les engins aéronautiques devient superflue. Les représentants des deux parties ont convenu de régler la question par des négociations directes entre le Gouvernement allemand et la Conférence des Ambassadeurs.

D'ordre de mon Gouvernement, j'ai donc l'honneur de renouveler les déclarations des représentants allemands ci-dessus visées et de prier la Conférence des Ambassadeurs de vouloir bien se déclarer d'accord avec la suppression des dispositions spéciales demandées par la C.M.I.C., étant donné que les interdictions qu'elles impliquent se trouvent être exprimées dans d'autres prescriptions légales. Il est entendu, d'ailleurs, conformément à l'accord du 22 mai 1926, que le Gouvernement allemand veillera à ce que l'aéronautique civile allemande soit maintenue dans les limites répondant à un développement normal, ce qui implique le seul stockage des pièces détachées des aéronefs nécessité par les besoins normaux de l'aviation commerciale.

Veuillez, &c.,
HOESCH

¹ Copies of these notes were received in the Foreign Office on February 4 under cover of Paris formal despatch No. 300 of February 3.

² Not printed. This letter related to the earlier German draft law on war material: cf. No. 363, note 1 and point (5).

M. Briand to Herr von Hoesch

PARIS, le 31 janvier 1927

M. l'Ambassadeur,

Par lettre en date du 30 janvier, votre Excellence a bien voulu renouveler auprès de la Conférence des Ambassadeurs les déclarations faites antérieurement par les représentants du Gouvernement allemand aux représentants de la Commission militaire interalliée de Contrôle à la suite de la demande formulée par celle-ci de voir insérer à l'article 3 du projet de loi sur le matériel de guerre des dispositions visant:

- (a) Tous les types d'aéronefs interdits conformément à l'Accord aéronautique signé à Paris le 22 mai 1926.
- (b) Tous engins de guerre pouvant être utilisés aux fins d'armement aérien.

Vous avez, en conséquence, prié la conférence d'accepter la suppression des dispositions spéciales ainsi envisagées; en effet, les interdictions qui en résulteraient se trouvent déjà formulées dans d'autres prescriptions légales, soit, en ce qui concerne l'interdiction visée sous la lettre (a), dans les ordonnances sur la construction d'aéronefs et sur les avions sans pilotes édictées en vertu de l'Accord aéronautique du 22 mai 1926, et, en ce qui concerne les engins de guerre mentionnés sous la lettre (b), dans d'autres dispositions de l'article 3 du projet de loi sur le matériel de guerre. Vous ajoutez qu'il reste d'ailleurs entendu que, conformément à l'accord du 22 mai 1926, le Gouvernement allemand veillera à ce que l'aéronautique civile allemande soit maintenue dans les limites répondant à un développement normal: cet engagement implique que le stockage des pièces détachées d'aéronefs sera limité aux quantités nécessaires pour subvenir aux besoins normaux de l'aviation commerciale.

J'ai l'honneur de vous faire connaître que, prenant acte des déclarations de votre Excellence ci-dessus rapportées, la Conférence des Ambassadeurs a estimé pouvoir renoncer à réclamer l'insertion dans le projet de loi concernant le matériel de guerre de dispositions spéciales relatives au matériel aéronautique.

Veillez, &c.,
BRIAND

No. 432

The Marquess of Crewe (Paris) to Sir A. Chamberlain
(Received February 1, 8.30 a.m.)

No. 25 Telegraphic: by bag [General 199/II]

PARIS, January 31, 1927

The Ambassadors' Conference met this morning under the Presidency of Monsieur Jules Cambon. I was present together with my Japanese and

Italian colleagues. The Belgian Ambassador and a representative of the United States Embassy also attended. The following questions were considered:—

I. *War Material.*

Marshal Foch read out to the Conference the report of the Versailles Committee of January 28th on the German draft law on war material (see my despatch No. 257¹ of 30th January). Monsieur Massigli then read out the letter addressed by the German Ambassador to the Ambassadors' Conference on the subject of aeronautical war material (see my despatch No. 264² (1/95/1927) of January 31st). It was agreed to approve a reply being sent to the letter in question. A statement was then made by Admiral Robert³ in the name of the Naval Advisers regarding the naval clauses of the German draft law. He informed the Conference that the German government had accepted certain modifications proposed by the Naval Advisers,⁴ but had at the same time introduced a paragraph into the draft law which figured as No. 11.⁵ He added that the Naval Advisers had asked Monsieur Massigli on January 29th to see Herr Forster and endeavour to get paragraph 11 removed from the draft law. He proposed to the Conference that, should it not be possible to obtain satisfaction on this point the Conference should accept paragraph 11 but at the same time, in accepting it, address a note to the Germans on the lines of the memorandum (see my despatch No. 258⁶ of

¹ No. 430.

² Not printed. The undated German note enclosed in translation was headed as a draft but was the same as No. 431, part (1).

³ Contre-Amiral Robert of the French Navy was President of the Committee of Naval Experts.

⁴ In a memorandum of December 30, 1926, the Committee of Naval Experts had explained to the Conference of Ambassadors that the German Government had refused to accept the formulae regarding naval armaments which, by a resolution of July 17, 1925, the Conference had agreed to add to the list of war material. The German Government had refused to accept (i) that the formula corresponding to item No. 23 (a) of paragraph 3 in the draft law noted in No. 430, note 1, should cover merchant ships as well as warships and (ii) that the formula corresponding to item No. 23 (b), *ibid.*, should cover engines, boilers, and auxiliary engines built for ships of all types. As regards (i) the memorandum stated that if certain fittings were added to a merchant ship it could very quickly be transformed into a warship. Consequently the Committee had decided that the German Government 'doit rester libre de construire des navires de commerce de toute nature, de n'importe quelle vitesse, susceptibles de répondre à des fins strictement commerciales, mais il doit lui demeurer défendu de prendre en temps de paix sur ces navires des dispositions spéciales visant l'utilisation d'une arme quelconque'. As regards (ii) the German Government had argued that the engines and boilers in merchant ships were no different from those in warships and that it was therefore impracticable to base the formula on a distinction between similar engines built for different purposes. It was stated in the memorandum that 'les Experts Navals estiment que la raison invoquée n'est pas suffisante pour renoncer à interdire à l'Allemagne la construction d'un matériel sur lequel reposent en grande partie la valeur et l'endurance des navires de guerre'. The Committee, therefore, proposed new drafts which were included with only minor verbal alterations as items No. 23 (a) and (b) in paragraph 3 of the final text (see No. 430, note 1).

⁵ See No. 427, note 5.

⁶ *V. ibid.*, note 6.

January 30th) which I communicated to the Conference on receipt of your telegram No. 267 (C. 760/3/19) of January 28th. The substance of this telegram had previously been communicated by the Naval Attaché to Admiral Robert and his Italian colleague who were in full agreement as regards the proposals outlined therein. Monsieur Massigli then stated that he had made the necessary communication to Herr Forster on January 30th and that the latter had replied that it would be difficult to remove the paragraph in question but that he would give a definite reply if possible to-day. Monsieur Massigli added that so far no reply had reached him.

It was then decided:—

To approve (a) the German draft law on war material with the exception of paragraph 11 on which a decision would be taken later, and (b) the recommendations of the Versailles Committee contained in their report to the Ambassadors' Conference of January 28th.

II. *Koenigsberg fortifications*

Marshal Foch gave the Conference an account of the progress which had been made with the German representatives on this question. He stated that the Germans were at the moment still awaiting further instructions from their government. Marshal Foch pointed out in particular that out of the eighty-eight shelters which had been illegally constructed by Germany and should be destroyed, the German representatives had at first agreed to destroy twelve and later twenty. Marshal Foch was particularly anxious for satisfaction in regard to the Koenigsberg fortifications. Monsieur Cambon informed Marshal Foch that it would be most unfortunate if it were found impossible to find a solution of the fortifications question, and if, in consequence, the matter had to be submitted to the League of Nations. He asked the Marshal therefore to show 'un large esprit de conciliation' in the matter and to arrange a meeting with the Germans as soon as the latter received their instructions. He at the same time requested the Versailles Committee, whether agreement was reached or not, to furnish the conference with a report in order that the latter might at their meeting at 11 a.m. tomorrow take a decision in the matter. At the close of the meeting Monsieur Massigli read out a communication which had been received by Monsieur Berthelot from the German Embassy to the effect that the new German Cabinet⁸ were at that moment meeting to consider the question of fortifications and the instructions to be sent to the German delegates in Paris.

III. *Instructions to experts attached to Embassies in Berlin*

Marshal Foch made a statement to the conference on the lines of the proposal of the Versailles Committee of January 29th (see my despatch No.

⁷ No. 427.

⁸ Dr. Marx had formed a new German Government after reaching agreement with the German National People's Party on January 26: Dr. Stresemann remained Minister for Foreign Affairs.

256⁹ of January 30th). Monsieur Massigli stated that it appeared to him that the experts had not the right to report to the Ambassadors' Conference on any new infractions of the military clauses of the treaty,¹⁰ seeing that the League of Nations was the competent body to deal with such infractions. Marshal Foch replied that the experts would only report to the Ambassadors' Conference on any new infractions in order that the conference might transmit such reports to the League of Nations. I have forwarded to the conference a memorandum¹¹ based on the Foreign Office letter to the War Office of January 29th¹² (see your despatch No. 270¹² and your telegram No. 28¹² of January 29th), and the question will come up for discussion at the meeting tomorrow.

IV. *Salamis*.

Monsieur Massigli stated that in their letter of December 18th [17th], 1926, the Mixed Arbitral Tribunal had asked for an interpretation of a letter addressed by the Ambassadors' Conference to the President of the Greek delegation on October 11th, 1920 (see my despatch No. 2483¹³ of December 28th). He added that he had received enquiries as to when a reply might be expected and that the question was therefore of some urgency.

It was decided that the Secretariat General should prepare a draft reply to the Mixed Arbitral Tribunal which should then be submitted to the Drafting Committee for their observations. . . .¹⁴

⁹ See No. 425, note 10.

¹⁰ Of Versailles.

¹¹ No. 433.

¹² *V. ibid.*, note 1.

¹³ Not printed. For a summary of this letter of December 17, 1926, see *League of Nations Official Journal*, October 1927, p. 1340.

¹⁴ The omitted sections related to other matters.

No. 433

Note from H.M. Embassy (Paris) to the Conference of Ambassadors¹ *No. 73 [C 916/11/18]*

PARIS, January 31, 1927

His Majesty's Embassy presents its compliments to the Ambassadors' Conference and has the honour to submit to it the following observations in regard to the draft letter of January 29th² drawn up by the Versailles Committee and communicated to the Ambassadors' Conference on the subject of

¹ A copy of this note was received in the Foreign Office on February 1 under cover of Paris despatch No. 266 of January 31 (not preserved in Foreign Office archives). The note was sent in accordance with Foreign Office telegram No. 28 to Paris of January 29, which requested Lord Crewe to put before the Conference of Ambassadors the views expressed in a letter of the same day from the Foreign Office to the War Office (copy sent to Paris in Foreign Office despatch No. 270).

² See No. 425, note 10. The Foreign Office instructions on which the present note was based (see note 1 above) related, however, to the draft of Marshal Foch's letter printed as enclosure 4 in No. 425.

the instructions to be sent to the experts to be attached to the various Embassies in Berlin after the withdrawal of the Military Commission of Control.

In the first place His Majesty's Government are unable to accept the last sentence of section I in which it is apparently contemplated that the experts should report any new infractions of the military clauses of the Treaty³ to the Ambassadors' Conference should they come to light. His Majesty's Government are firmly of the opinion that the duties of the experts must be strictly confined to facilitating the execution of matters on which agreement has already been reached in principle, as was clearly laid down in the Geneva arrangement of December 12th last. Moreover, should new infractions take place the Ambassadors' Conference would no longer be competent to deal with the question, which would be one for settlement either by ordinary diplomatic means or through the medium of the League of Nations.

Again, paragraphs *a*) and *b*) of the Section III are open to considerable objection as they now stand. In the first place His Majesty's Government are anxious to include in the present draft a sentence clearly stating that the experts will in no way substitute themselves for the Control Commission. Secondly the above-mentioned paragraphs, while stating that the experts will not constitute themselves into a committee, nevertheless seem to confer upon them all the attributes of a committee with the exception of a president; thus they are to meet and work out in common official communications to the German Government. The wording of these paragraphs accordingly requires correction in order that it may be clearly laid down that the experts will only address official communications to the German Government on the express authority of the Ambassadors' Conference and, for official communications, will in fact be nothing more than a post office. Their chief function would, in fact, be to have unofficial and explanatory conversations with the German authorities. Thirdly the wording in Section III (*a*) '*sans se constituer*' seems needlessly unemphatic. There seems no reason to weaken the wording in this respect of the Versailles Committee's letter to General Walch of January 5th.⁴ Fourthly it would be desirable to amend the second and third sentences of Section III (*a*) by adding the word '*pourront*' before '*se réuniront*' and '*arrêteront*', which would become '*se réunir*' and '*arrêter*' respectively.

Section III (*a*) and (*b*) would accordingly read somewhat to the following effect:—

III. Organisation du travail:—

L'organisation du travail pourrait être envisagée comme il suit:—

a) Les experts ne doivent ni se constituer en comité d'experts ou en organe de liquidation, ni se substituer en aucune manière à la Commission Militaire Inter-Alliée de Contrôle; ils traiteront séparément avec les autorités allemandes. Mais, pour co-ordonner leur travail, les experts pourront se réunir,

³ Of Versailles.

⁴ No. 382.

à date fixée dans une des Ambassades à tour de rôle, sur un pied complet d'égalité sans qu'il soit constitué une présidence, pour y traiter les questions en instance. Au cours de ses réunions, ils pourront arrêter de concert les communications à adresser au gouvernement allemand ou les rapports à faire parvenir à la Conférence des Ambassadeurs par l'intermédiaire du Comité Militaire Allié de Versailles.

b) Les experts n'adresseront de communications officielles et écrites au gouvernement allemand que lorsqu'ils y seront autorisés par le Comité Militaire Allié de Versailles. Mais en général les experts se borneront à des conversations officieuses pour maintenir le contact avec les autorités allemandes. Les communications à adresser éventuellement au gouvernement allemand, arrêtées comme il vient d'être exposé, seront faites à ce gouvernement au nom de la Conférence des Ambassadeurs par un des experts désigné à cet effet au cours des réunions sus-visées.

Again it is observed that the proposal in Section IV of the draft letter regarding the payment of the experts differs from that submitted by the Control Commission in their letter of January 14th.⁵ The latter proposed that the experts' expenses should be defrayed by the Commission (i.e. be a charge on the Dawes annuities) until the 1st March next, after which their salaries should be a direct charge on the respective governments. In the view of His Majesty's Government this suggestion seems preferable to that proposed by the Versailles Committee whereby the expenses would remain a charge on the Dawes annuities so long as the experts remained in Berlin, as there would be less incentive to withdraw the experts if their expenses were in fact shared by all the governments entitled to reparation. His Majesty's Government suggest, therefore, that the proposal made by the Control Commission should be retained. In this connection His Majesty's Government is anxious to learn whether it is proposed to have a single secretary for all the experts or that each expert should have his own secretary. The former alternative was proposed in the Control Commission's letter of January 14th and is repeated in Section IV of the draft letter under discussion. On the other hand, in section II of the draft it is contemplated that each expert should have his own secretary. Whichever alternative the Versailles Committee have in mind it would appear preferable to His Majesty's Government to amend the last sentence of Section II to 'Chaque expert pourra disposer d'un' etc.

His Majesty's Government are, further, of the opinion that an additional point should be added to the draft instructions to provide that on January 31st the Inter-Allied Military Commission of Control shall provide the Allied Military Committee of Versailles and each expert with a detailed list of all points remaining to be executed.

⁵ See No. 407, note 3.

*Exchange of notes between M. Briand and Herr von Hoesch (Paris)*¹

[C 996/11/18]*

(1)

M. Briand to Herr von Hoesch

PARIS, le 31 janvier 1927

M. l'Ambassadeur,

Le Chargé d'Affaires d'Allemagne, répondant, à la date du 6 septembre dernier, à la lettre No. 169 de la Conférence des Ambassadeurs,² à fait savoir à celle-ci que son Gouvernement prenait l'engagement d'appliquer, sans aucune restriction, la législation allemande destinée à assurer l'exécution des articles 177 et 178 du Traité de Versailles. M. Reith [Rieth] a, en même temps, communiqué à la conférence certaines mesures prises par le Gouvernement du Reich et par les États pour assurer l'application de ladite législation; il a également déclaré que le Gouvernement allemand s'employait à assurer la surveillance des associations et qu'il ferait confisquer et détruire, conformément aux prescriptions de la loi du 22 mars 1921, les armes qui pourraient se trouver encore en leur possession.

Comme suite à cette correspondance, un échange de vues s'est poursuivi avec le Gouvernement allemand, afin de donner à la conférence des preuves nouvelles de la ferme volonté dont il se déclare animé d'assurer à l'avenir la stricte exécution des articles susvisés du Traité de Paix.

Des documents qui ont été communiqués à la conférence, il résulte ce qui suit:

1. Les autorités allemandes compétentes sont intervenues auprès des diverses associations, notamment auprès du 'Stahlhelm' et du 'Wehrwolf,' et les ont mises en demeure de s'interdire toute activité susceptible de tomber sous le coup du décret du 12 février 1926.
2. Le Ministre de l'Intérieur du Reich a adressé le 30 décembre 1926 aux États ('Länder') une circulaire, dont le texte a été communiqué à la conférence et qui précise les conditions d'application de la législation en vigueur; cette circulaire rappelle, en particulier, aux Gouvernements des États la nécessité de surveiller de près les associations auxquelles est interdit tout exercice n'ayant pas un but exclusivement sportif; elle signale que, pour déterminer si une association tombe sous le coup de la loi du 22 mars 1921 et du décret du 12 février 1926, il convient de se préoccuper moins de ses statuts que de son activité réelle; elle attire l'attention des États sur l'obligation qui leur incombe, aux termes de la législation existante, de dissoudre aussi bien les

¹ Copies of these notes were received in the Foreign Office on February 3 under cover of Paris formal despatch No. 288 of February 2. Drafts of the notes, which were largely similar to the final texts, had previously been accepted by Sir A. Chamberlain.

² Enclosures in Nos. 202 and 179 respectively.

associations que les groupes locaux à la charge desquels les investigations de la police relèveraient des infractions à ladite législation.

3. Les Gouvernements des États se sont engagés à adresser des avertissements aux associations dont l'activité donnerait lieu à des soupçons dans ce sens.
4. Le Gouvernement allemand s'engage à tenir la main à ce que soient strictement observées les instructions actuellement en vigueur qui interdisent, notamment au personnel de la Reichswehr, toute relation avec les associations.

La conférence a vu dans ces divers documents la preuve que le Gouvernement allemand, conscient des obligations qu'il a contractées par les articles 177 et 178 du Traité de Versailles, confirme sa volonté d'assurer à l'avenir une stricte application de la législation édictée en vue de l'exécution desdits articles.

Dans ces conditions, j'ai l'honneur de faire connaître à votre Excellence que la Conférence des Ambassadeurs, soucieuse de marquer sa confiance au Gouvernement allemand pour l'application desdites mesures, a estimé qu'elle pouvait, de son côté, ne pas insister pour la dissolution, dès maintenant, conformément à la loi du 22 mars 1921 et à l'ordonnance du 12 février 1926, de certaines associations, étant entendu que, désormais, ces associations se conformeraient à la législation susvisée.

Veuillez, &c.,
A. BRIAND

(2)

Herr von Hoesch to M. Briand

Traduction

PARIS, le 31 janvier 1927

M. le Président,

En réponse à la lettre de votre Excellence en date du 31 janvier 1927, j'ai l'honneur de vous faire connaître, d'ordre de mon Gouvernement, ce qui suit:

La Conférence des Ambassadeurs voit dans les divers documents, portés à sa connaissance, la preuve que le Gouvernement allemand, conscient des obligations contractées par les articles 177 et 178 du Traité de Versailles, confirme sa volonté d'assurer une application stricte de la législation édictée en vue de l'exécution desdits articles. Dans ces conditions, la Conférence des Ambassadeurs, ayant confiance dans le Gouvernement allemand, estime qu'elle peut, de son côté, ne pas insister sur la dissolution de certaines associations tombant sous la loi du 22 mars 1921 et l'ordonnance du 12 février 1926, étant entendu que, désormais, ces associations se conformeraient à la législation susvisée.

D'ordre de mon Gouvernement, j'ai l'honneur de renouveler les déclarations ci-après faites déjà par les représentants du Gouvernement allemand:

1. Les autorités allemandes compétentes ont agi contre des abus de certaines associations. Abstraction faite des décrets de dissolution qui ont

déjà été portés à la connaissance de la Conférence des Ambassadeurs, j'ai l'honneur de mentionner les documents ci-après, datant de 1926 et 1927, dont les copies ont été communiquées à la Conférence des Ambassadeurs lors des délibérations récentes par le représentant du Gouvernement allemand:

- (a) Lettre adressée, le 20 mai 1926, par le Ministère de l'Intérieur de Saxe au 'Wikingbund.'
 - (b) Procès-verbal de la séance du 21 mai 1926 au Ministère de l'Intérieur de Thuringe en présence des directeurs de différentes associations.
 - (c) Circulaire du Ministère de l'Intérieur de Thuringe du 1^{er} juin 1926.
 - (d) Ordonnance du directeur du 'Stahlhelm' du 31 octobre 1926.³
 - (e) Ordonnance du directeur du 'Stahlhelm' du 20 novembre 1926.³
 - (f) Ordonnance du directeur du 'Stahlhelm' du 21 novembre 1926.³
 - (g) Ordonnance du directeur des 'Vereinigte Vaterländische Verbände' du 2 décembre 1926.⁴
 - (h) Lettre adressée, le 9 décembre 1926, par le Ministère de l'Intérieur de la Prusse au Ministère de l'Intérieur du Reich.
 - (i) Lettre adressée, le 9 décembre 1926, par le Ministère de l'Intérieur de Prusse au directeur du 'Wehrwolf.'
 - (j) Lettre adressée, le 9 décembre 1926, par le Ministère de l'Intérieur de Prusse au directeur du 'Stahlhelm.'
2. Le Ministère de l'Intérieur du Reich a adressé, à la date du 30 décembre dernier, la circulaire ci-jointe aux pays.⁵
 3. Les Gouvernements des pays adresseront aux associations, dont l'activité pourrait faire soupçonner des abus, des avertissements attirant l'attention de ces associations sur les suites judiciaires qu'entraînent de tels abus.
 4. Le Gouvernement allemand, ainsi que les Gouvernements des pays, sont décidés à appliquer, sans restrictions, la législation allemande relative à l'exécution des articles 177 et 178 du Traité de Versailles.
 5. Le Gouvernement allemand veillera notamment à l'observation stricte des règlements de service en vigueur interdisant toute relation entre la Reichswehr et les associations.

En assurant de cette manière l'exécution stricte des dispositions de la loi du 22 mars 1921 et de l'ordonnance du 12 février 1926, mon Gouvernement prend acte, avec satisfaction, de la déclaration de la Conférence des Ambassadeurs, suivant laquelle la conférence renonce à demander la dissolution de certaines associations.

Veuillez, &c.,
VON HOESCH

³ See No. 308, note 2.

⁴ See No. 316, note 3.

⁵ Not printed. This circular was summarized in M. Briand's note above.

*Exchange of Notes between M. Briand and Herr von Hoesch (Paris)*¹

[C 997/11/18]*

(1)

M. Briand to Herr von Hoesch

PARIS, le 31 janvier 1927

M. l'Ambassadeur,

A la date du 6 septembre dernier, le Chargé d'Affaires d'Allemagne avait bien voulu faire savoir à la Conférence des Ambassadeurs, en réponse à sa lettre du 17 août:²

1. Que, pour donner satisfaction au désir de la conférence, le Gouvernement allemand avait décidé d'abroger l'ordonnance du Président d'Empire, en date du 24 août 1921;
2. Que, pour rendre désormais impossibles toute incorporation illégale dans la Reichswehr, ainsi que la préparation et l'instruction de cadres de réserve en général et d'officiers de réserve en particulier, le Président d'Empire était prêt à promulguer une ordonnance spéciale, dont le texte a été communiqué.

L'examen de ce projet d'ordonnance a amené la conférence à demander certaines précisions concernant, d'une part, la base juridique sur laquelle était fondée cette ordonnance et, d'autre part, les sanctions qu'entraînerait sa violation.

Les représentants qualifiés du Gouvernement allemand ont déclaré et expliqué que les mesures envisagées sont conformes à la législation intérieure de l'Allemagne et que les infractions à ladite ordonnance entraîneraient l'application de l'article 92 du Code pénal militaire et des peines qui y sont prévues.

La conférence a pris acte des explications ainsi fournies. Elle a, d'autre part, été informée que l'ordonnance en question avait été signée à la date du 31 décembre 1926 par le Président d'Empire et publiée au 'Reichsgesetzblatt' (1927, p. 11);³ elle a été, en outre, avisée que la décision du 24 août 1921 avait été abrogée par une ordonnance du Président d'Empire en date du 26 octobre 1926.

En conséquence, la conférence constate que l'obligation assumée par l'Allemagne d'interdire les incorporations illégales dans l'armée et la formation de cadres de réserve sera dorénavant assurée par des mesures légales et efficaces, à la violation desquelles des sanctions seront attachées. Aussi bien, si des faits venaient à démontrer que les mesures ci-dessus sont insuffisantes

¹ Copies of these notes were received in the Foreign Office on February 3 under cover of Paris formal despatch No. 289 of February 2. Drafts of these notes, which were largely similar to the final texts, had previously been accepted by Sir A. Chamberlain.

² See enclosure in No. 201 and No. 122, note 3, respectively.

³ Cf. No. 404.

à assurer l'observation des obligations incombant en pareille matière, vis-à-vis des Alliés, au Gouvernement allemand, il appartiendra à celui-ci de pourvoir à cette insuffisance et de compléter, autant qu'il sera nécessaire, les mesures déjà prises.

Dans ces conditions, la Conférence des Ambassadeurs considère que l'abrogation de l'ordonnance du 24 mai 1921 et la promulgation ainsi que la mise en vigueur de l'ordonnance ci-dessus visée, règlent d'une façon satisfaisante la question qui faisait l'objet de la lettre du 17 août.

Veuillez, &c.,
A. BRIAND

(2)

Herr von Hoesch to M. Briand

Traduction

PARIS, le 31 janvier 1927

M. le Président,

En réponse à la lettre de votre Excellence en date du 31 janvier dernier, j'ai l'honneur de vous faire connaître, d'ordre de mon Gouvernement, ce qui suit:

La Conférence des Ambassadeurs constate que l'obligation assumée par l'Allemagne d'interdire les incorporations illégales dans la Reichswehr et la formation des cadres de réserve sera dorénavant assurée par des mesures légales et efficaces, à la violation desquelles des sanctions seront attachées; aussi bien, si des faits se produisent démontrant que ces mesures sont insuffisantes à assurer l'observation des obligations contractées, il appartiendra au Gouvernement allemand de compléter, autant qu'il sera nécessaire, les mesures déjà prises. Dans ces conditions, la Conférence des Ambassadeurs considère que l'abrogation de l'ordonnance du 24 mai 1921, ainsi que la promulgation et la mise en vigueur de l'ordonnance du Président du Reich en date du 31 décembre 1926 règlent d'une façon satisfaisante la question des incorporations illégales.

D'ordre de mon Gouvernement, j'ai l'honneur de renouveler les déclarations ci-après faites déjà par les représentants du Gouvernement allemand:

1. L'ordonnance du 24 mai 1921 a été abrogée par l'ordonnance du Président du Reich en date 26 octobre 1926 ('Reichsgesetzblatt,' No. 59, du 29 octobre 1926, p. 481).
2. L'ordonnance du Président du Reich, en date du 31 décembre 1926, concernant l'interdiction des incorporations illégales ('Reichsgesetzblatt,' 1927, p. 11), dont copie ci-jointe,⁴ est conforme à la législation intérieure de l'Allemagne.
3. Les infractions à ladite ordonnance entraîneront l'application de l'article 92 du Code pénal militaire et les peines qui y sont prévues.

⁴ Not printed.

4. Le Gouvernement allemand se déclare prêt à compléter autant qu'il sera nécessaire les mesures précitées si des faits venaient à démontrer que ces mesures seraient insuffisantes à assurer l'observation des obligations contractées.

Dans ces conditions, c'est avec satisfaction que le Gouvernement allemand prend acte de ce que la question des incorporations illégales se trouve être réglée.

Veillez, &c.,
VON HOESCH

No. 436

Accord réalisé au sujet du Système des Ouvrages fortifiés des Frontières est et sud de l'Allemagne entre le Comité militaire allié de Versailles et le Général von Pawelsz, Représentant qualifié du Gouvernement allemand¹

[C 1084/11/18]*

PARIS, January 31, 1927²

Sur la base des négociations qui ont eu lieu au sujet de l'interprétation donnée aux articles 180 et 196,³ et pour exclure tout malentendu dans l'avenir, il est établi ce qui suit:

1. Sans parler des servitudes imposées à la région côtière par l'article 196, le système des ouvrages fortifiés des frontières allemandes de l'est et du sud sera maintenu tel qu'il a été relevé en 1920 par la Commission militaire interalliée de Contrôle, étant entendu que par frontière[s] est et sud, il faut entendre le territoire qui s'étend depuis la ligne jalonnée par les ouvrages fortifiés relevés par cette commission (ces ouvrages fortifiés y compris) jusqu'à la ligne frontière allemande.

¹ A copy of this agreement was received in the Foreign Office on February 7 under cover of Paris despatch No. 327 of February 6, together with the following letter of February 5 from M. Briand to Herr von Hoesch:

'Au nom des Gouvernements belge, britannique, français, italien et japonais, représentés à la Conférence des Ambassadeurs et à la Commission militaire interalliée de Contrôle, j'ai l'honneur d'adresser à votre Excellence la communication suivante:

'“Les négociations qui se sont poursuivies à Paris entre les délégués militaires des Gouvernements ci-dessus énumérés, d'une part, et les représentants qualifiés du Gouvernement allemand, d'autre part, au sujet des difficultés auxquelles ont donné lieu l'interprétation et l'application des articles 180, alinéa 4, et 196, alinéas 1 et 2, du Traité de Versailles, ont abouti à l'accord dont le texte est annexé à la présente lettre.

'“J'ai l'honneur de faire savoir à votre Excellence que, dans sa séance du 1^{er} février, la Conférence des Ambassadeurs, agissant au nom des Gouvernements dont elle représente les intérêts, a donné son approbation audit accord.”'

In Paris despatch No. 333 of February 7 Lord Crewe further transmitted a copy of a letter of February 5 to M. Briand in which Herr von Hoesch, in terms similar to those above, announced the approval of the German Government to the present agreement.

² Although the agreement is dated January 31, 1927, it includes modifications agreed on February 1: see No. 438.

³ Of the Treaty of Versailles.

La ligne jalonnée par lesdits ouvrages fortifiés est définie dans l'annexe ci-jointe.

2. Sous réserve de la stipulation visée au paragraphe 3, seuls sont maintenus dans ce territoire les ouvrages fortifiés ou abris existant en 1919 et relevés par la Commission militaire interalliée de Contrôle en 1920, étant entendu que ces ouvrages ou abris seront conservés dans la destination et l'emplacement qu'ils avaient à cette époque et qu'ils ne seront augmentés ni dans leur nombre, ni dans leurs dimensions. Ils ne seront l'objet que de travaux d'entretien; toutefois, dans la constitution de ces ouvrages ou abris, les matériaux périssables (terre, bois, briques) peuvent être remplacés par du béton ou de la maçonnerie.

Aucun ouvrage fortifié ni abri répondant à un but de guerre ne sera construit dans ce territoire, même en vue de remplacer d'anciennes organisations de campagnes [*sic*] nivelées.

3. A titre de transaction, les Gouvernements alliés admettent que les abris construits depuis 1920 soient conservés au nombre de cinquante-quatre, à savoir:

					Abris.
A Glogau, sur la rive gauche de l'Oder	...	...	...	...	8
A Lotzen	...	...	...	...	15
A Kœnigsberg	...	...	...	...	31

Ces abris seront portés sur l'état de recensement établi par la Commission militaire interalliée de Contrôle.

Tout les autres abris construits depuis 1920, à savoir:

					Abris.
A Glogau, sur la rive droite de l'Oder	...	...	...	...	7
A Custrin, sur la rive droite de l'Oder	...	...	...	...	5
A Kœnigsberg	...	...	...	...	22

seront détruits dans un délai de quatre mois à partir du 15 février 1927.

Parmi les vingt-deux abris à détruire à Kœnigsberg, dix-sept seront désignés par le Gouvernement allemand et cinq seront choisis par les Gouvernements alliés, une fois arrêtée la désignation des dix-sept abris laissée au choix du Gouvernement allemand.

4. L'Allemagne donne l'assurance qu'il n'existe pas, dans le territoire défini au paragraphe 1^{er}, d'autres ouvrages fortifiés ou abris répondant à un but de guerre, construits depuis le recensement, que ceux qui ont été signalés à la Commission militaire interalliée de Contrôle.

Fait à Paris, le 31 janvier 1927.

Le Chef d'État-Major du Comité
militaire allié de Versailles:

BARATIER

Le Représentant qualifié du
Gouvernement allemand:

PAWELSZ

Liste⁴ des Places et Ouvrages fortifiés

La liste⁴ des places et ouvrages fortifiés est définie comme suit:

Une ligne droite allant de Königsberg à Sensbourg (depuis le point où elle sort de la zone côtière de 50 kilom. visée à l'article 196), puis de Sensbourg à Marienbourg (jusqu'au point où elle entre dans la zone côtière de 50 kilom. visée à l'article 196);

Une ligne allant du point où la voie ferrée Dirschau-Konitz-Schneidemuhl-Custrin pénètre dans le territoire allemand, jusqu'à Custrin;

Le cours de l'Oder de Custrin à Brieg;

La voie ferrée Brieg-Neisse-Kamenz-Glatz-Waldenbourg-Görlitz-Botzen-Pirna-Königstein;

Une ligne allant de Königstein à Hof;

La voie ferrée Hof-Neustadt-Ratisbonne;

Le cours du Danube de Ratisbonne à Donaueschingen;

La voie ferrée de Donaueschingen à Neustadt, où la ligne rejoint la zone rhénane démilitarisée.

⁴ It would appear from the German text of the agreement that this word should read 'Ligne'.

No. 437

Letter from Mr. Sargent to Mr. Addison (Berlin)

[C 802/304/18]

FOREIGN OFFICE, *January 31, 1927*

Dear Addison,

Very many thanks for your admirable letter of the 20th January.¹ It has been read with the greatest interest not only by myself but also by Tyrrell and the Secretary of State. The Secretary of State thinks it may be worth while repeating to you the following comment by Tyrrell, with which he entirely agrees:—

'The conclusion I draw from Mr. Addison's diagnosis of the German propaganda movement in favour of the evacuation of the Rhineland is that it will defeat its object.

'The French are hardening and will harden still more and *we* shall have to take this process into account in dealing with the French or we shall be doing the same as the Germans! All we can do is to point this out to the Germans and to rub it in that these means will not help them'.²

¹ No. 419.

² On January 28 Sir A. Chamberlain had recorded, in his despatch No. 62 to Brussels, a conversation that day with M. Vandervelde. Sir A. Chamberlain stated, in particular, that 'M. Vandervelde had noticed, like myself, with concern the less satisfactory character of Franco-German relations, and he added that feeling in Belgium was similarly agitated.

The Secretary of State further asks me to remind you of Emil Brandenburg's book 'Von Bismarck zum Weltkriege',³ which you doubtless know, since the chapters dealing with the Anglo-German conversations of 1898-1901 are the complete commentary on the German national character as illustrated in the passage from your official despatch No. 671⁴ of the 10th December 1925, quoted in pages 2 and 3 of your letter.

But to revert to the press campaign over evacuation, I quite realise that as long as there is no properly constituted Central government Dr. Stresemann may find it difficult to take a strong line with the Prussian government. But generally speaking are not we right in assuming that the recent evolution in Germany is all in the direction of an increase in the powers of the Central government to the detriment of the Federal States. Certainly the reports which we have received from time to time from Berlin seem to show that the latter are daily becoming more and more dependent on the good-will and financial assistance of the Central government. If this is so, could not the latter if they chose find means of bringing pressure to bear even on the Prussian government to compel them to desist from a course of action if the Wilhelmstrasse really disapproved of it.

ORME SARGENT

The formation of a Government into which the German Nationalists entered could not but give rise to considerable anxiety. I suggested the possibility and expressed the hope that this event might turn to our advantage, and recalled the apprehensions which we had felt at the time of the election of President Hindenburg, and the way in which these apprehensions had been relieved by the subsequent course of events. I told M. Vandervelde of the representations which Sir Ronald Lindsay had made on my behalf to Dr. Stresemann and of Dr. Stresemann's reply [see No. 400], and I suggested to M. Vandervelde that Dr. Stresemann's course was made more difficult by the action of the Socialist party in Germany, and particularly in Prussia. I had wondered, I said, whether M. Vandervelde's personal relations with some of these gentlemen might not enable him to point out how they endangered the policy of reconciliation and induce them to moderate their attitude. M. Vandervelde replied that he might perhaps find an opportunity of saying something to them on these lines on the occasion of the International Socialist Conference which is shortly to be held in Paris.'

³ Published at Berlin in 1924.

⁴ See Volume I, No. 141.

No. 438

The Marquess of Crewe (Paris) to Sir A. Chamberlain
(Received February 2, 8.30 a.m.)

No. 26 Telegraphic: by bag [General 199/II]

PARIS, February 1, 1927

A meeting of the Ambassadors' Conference was held at 11 a.m. on February 1st under the Presidency of Monsieur Jules Cambon. I was present with the Italian and Japanese Ambassadors. The Belgian Ambassador and a representative of the United States Embassy also attended. The following questions were considered:—

1. *Koenigsberg Fortifications*

General Baratier read out to the Conference the report of the Versailles Committee on the final German proposals. A copy of the latter is enclosed in my despatch No. 281¹ of February 1st. The report in question stated that the German proposals might be considered as satisfactory except in regard to the question of the Koenigsberg fortifications. The Germans stated in their proposals that only twenty of the Koenigsberg shelters, which moreover were to be selected by the German government, should be destroyed. Monsieur Massigli then stated that Herr Forster had just informed him that the German representatives were disposed to make a further concession to the effect that twenty-two shelters should be destroyed at Koenigsberg and that of this number five should be selected by the allies and seventeen by the German government (see my despatch No. 281 of February 1st). Monsieur Cambon asked Marshal Foch for his opinion on the latest modification. The latter replied that the Versailles Committee must have time to consider it. It was accordingly decided to request the members of the Versailles Committee to withdraw immediately to consult in the matter. After a short interval General Baratier returned and informed the Conference that the Versailles Committee approved the latest German modification, provided that the German government chose the seventeen shelters to be destroyed first and the allies selected their five afterwards. Monsieur Massigli was instructed to ask Herr Forster immediately by telephone whether he agreed. Herr Forster replied that the German delegation accepted the modification.

The text of the final agreement is being prepared this afternoon.²

2. *Naval War Material*

Monsieur Massigli informed the Conference that Herr Forster had replied that it would not be possible to remove paragraph 11 from the German draft law on war material (see paragraph 1 of my telegram No. 25³ of January 31st). It was accordingly decided to address a note to the German Ambassador in the sense of my memorandum of January 30th (see my despatch No. 258⁴ of January 30th). A copy of this communication will be submitted to you for approval.⁵

¹ Not printed. The proposals were largely the same as the final text of the agreement printed as No. 436, except that paragraph 3 of the proposals (i) provided for German retention of fifty-six shelters (thirty-three at Königsberg) and for the destruction of twenty shelters 'aux choix du Gouvernement allemand' at Königsberg; (ii) did not include the last subparagraph of paragraph 3 of the final text. The despatch further enclosed a record of the verbal proposals by Dr. Forster described below by M. Massigli.

² See No. 436, note 2.

³ No. 432.

⁴ See No. 427, note 6.

⁵ The draft note, which was transmitted to the Foreign Office in Paris despatch No. 292 of February 2, corresponded generally to the final text of February 28, an English translation of which is printed in *League of Nations Official Journal*, October 1927, pp. 1349-50. The draft stated that the Conference of Ambassadors accepted the inclusion of paragraph 11 in the German law subject to certain observations corresponding to points (1) to (4) in No. 427. In a letter of February 28 to Mr. Holman Mr. Harvey confirmed that the Foreign Office accepted the final text as printed and stated: 'We agree, however, on the understanding . . . that the Ambassadors' Conference will be free to put into their letter to the

3. *Instructions to allied experts at Berlin*

Monsieur Massigli suggested that my memorandum of January 31st (see my despatch No. 266⁶ of January 31st) should be submitted to the Versailles Committee in order that the latter might prepare the necessary letter containing instructions for the experts in Berlin. General Clive suggested, however, that it would be more expeditious if the Secretariat-General could, with the assistance of representatives of the various delegations, prepare the communication in question. It was accordingly decided to adopt this course, and it is hoped that the necessary communication may be drafted tomorrow.

4. *Hungarian military control*

At the close of the meeting the Italian Ambassador asked the conference whether it would not be possible for the Control Commission in Hungary to be withdrawn by February 28th⁷ and whether the Versailles Committee could therefore furnish the conference with a report on this subject. Marshal Foch replied that he would examine the question. I expressed my full agreement with the Italian Ambassador's suggestion. Monsieur Massigli expressed the hope that, although he realised that Austria had been somewhat recalcitrant of late as regards the execution of her obligations, it might be found possible to treat her with consideration, especially in view of the fact that military control in Hungary would shortly be withdrawn.

Mixed Arbitral Tribunal [cf. No. 432 § iv] any political and other considerations which may be of use to the M.A.T. in dealing with the Greek case, regardless of what the legal advisers and the drafting committee may say or recommend. As you know we attach great importance to the reservations which we are now agreeing to water down in our official letter to the German Ambassador, and we think the least we can do to help our friends the Greeks is to put our views very fully to the Tribunal.' The letter of May 20, 1927, from the Conference of Ambassadors to the President of the Mixed Arbitral Tribunal is printed *op. cit.*, October 1927, pp. 1375-6. For consideration of the *Salamis* case by the League of Nations in September and December 1927 see *op. cit.*, October 1927, *passim*, and February 1928, pp. 179-80.

⁶ See No. 433, note 1.

⁷ A Hungarian note of January 12 in reply to notes of December 16, 18 and 20, 1926, from the Conference of Ambassadors in execution of the resolutions recorded in No. 306, minutes 2-4, had conveyed Hungarian acceptance of the stipulations set out in the notes, and expressed the view that all the conditions for the withdrawal of the Commission of Control from Hungary had been met. The Hungarian Government therefore requested its withdrawal on January 31, 1927.

CHAPTER IV

Correspondence relating to British policy on Middle Eastern Questions: conversations on British and Italian interests in the area of the Red Sea

June 9, 1926–February 10, 1927

No. 439

Sir R. Lindsay¹ (Constantinople) to Sir A. Chamberlain (Received June 14)
No. 280 [E 3624/3624/44]

CONSTANTINOPLE, June 9, 1926

Sir,

I have been quite aware during my recent negotiations with the Turkish Government² that if the latter really desired security against attack, the best way for them to get it would be, as you mentioned in your telegram No. 14 to Angora³ of May 4 to join the League, but it was rather difficult to talk to Tewfik Rushdi Bey⁴ on these lines as I was constantly expatiating to him on the feeling of security which Turkey would experience from signing with Great Britain the treaty we were then negotiating. He did however at least twice in the course of the negotiations touch on the subject of the League of Nations, and each time in the sense that he was desirous of avoiding any action that would raise a barrier between Turkey and the League, and of keeping an entry into the League open to his Government.

2. When the treaty was signed, and I was taking leave of Ismet Pasha⁵ on the 7th instant before returning to Constantinople I reminded His Excellency of what I had said to him in March 1925 on the subject of joining the League and expressed the hope that the Turkish Government would soon take the step. I did not fail to point out to him that if he feared aggression from any quarter the surest protection was to be found in membership of the League who was bound to make aggression against its members a matter of corporate interest. I am afraid Ismet frankly but good humouredly laughed at me, and suggested that Turkey's experience of the League was not encouraging;

¹ H.M. Ambassador at Constantinople.

² For documentation on these negotiations regarding the frontier between Turkey and Iraq in the region of Mosul see Volume I, Chapter V. The resultant treaty between the United Kingdom and Iraq and Turkey, signed at Angora on June 5, 1926, is printed in Cmd. 2912 of 1927.

³ See Volume I, No. 584.

⁴ Turkish Minister for Foreign Affairs.

⁵ Prime Minister of Turkey.

and in the same breath almost he added 'and how about a permanent seat?' We had some conversation about the League constitution and aspects of its activities, but I received no assurance from Ismet that adhesion to the League was yet within the field of possibilities.

3. Ismet, of course, is feeling rather sore just now at having to conclude the Mosul Treaty in the elaboration of which procedure before the League has played an important part. I should surmise myself that one result of that Treaty is likely to be an approach by Turkey towards Western Europe, but Ismet would be too proud to admit it explicitly at this moment. His discouraging attitude of to-day may well be something of an exaggeration; but I rather doubt whether this is a matter in which persuasion by foreign representatives is likely to do much good.⁶

I have, &c.,

R. C. LINDSAY

⁶ In a letter of June 9 to Sir A. Chamberlain Sir R. Lindsay stated in particular: 'And now to this treaty of ours. At some moment early in the negotiation I sent you a letter [of April 24: not printed] suggesting, perhaps rather tentatively, that it might be wise for us to let the Turkish Republic have some credit out of this business; and the latitude you gave me for making terms with the Turk might have enabled me to do this . . . I almost wonder if we have not given the Republic too sound a beating over this thing. Well, I have two things to say for myself; first, that when you start an engagement with the enemy, it is very difficult to break off. Tewfik Rushdi . . . never gave me a chance to "let up". And secondly, I am not sure, after all, that I would have taken the chance, for say what you will, it is a good sound maxim, that to win the respect of the Turk, you must hit him very hard over the head. Why should I spare my blows, at the expense of poor little Irak? The damage to the prestige of the present régime seems considerable.' Sir R. Lindsay further urged early British ratification of the treaty and added: 'We are not giving Turkey very much, and you will double it by giving it quickly.'

No. 440

Note from Sir A. Chamberlain to the French Ambassador

[E 3899/344/91]

FOREIGN OFFICE, July 6, 1926

Your Excellency,

On the 17th June your Excellency was so good as to inform Sir W. Tyrrell of the conclusion of a commercial convention¹ between the High Commissioner for Syria and Ibn Saud.¹ You further enquired what attitude His Majesty's Government intend to adopt towards that ruler.²

2. I appreciate highly the friendly action of your Government in communicating to me this information, and I reciprocate cordially the desire

¹ King of the Hejaz and Sultan of Nejd. This convention of March 19, 1926, is printed in Arabic in *Collection of Treaties, A.H. 1341-1350* (Ministry of Foreign Affairs, Mecca, 1931), pp. 20-24: cf. République Française, Ministère des Affaires Étrangères, *Rapport à la Société des Nations sur la situation de la Syrie et du Liban, année 1926* (Paris, 1927), p. 147.

² In this note of June 17 M. de Fleuriau further stated: 'M. Briand estime que dans le Levant plus que partout ailleurs il est nécessaire de pratiquer la politique d'entente franco-britannique à laquelle il est fermement attaché.'

expressed by you for the closest co-operation in the Near East between our two Governments.

3. In reply to your enquiry I have the honour to inform you that His Majesty's Government are in friendly relations with Ibn Saud, whom they recognised as King of the Hejaz in March last. Prior to this Sir Gilbert Clayton³ had concluded in November 1925, with Ibn Saud in his capacity as Sultan of Nejd, two agreements, which are known as the Bahra and Hadda Agreements. The first, which Sir G. Clayton signed on behalf of the Iraq Government, defines the relations between Iraq and Nejd. The second, which he signed on behalf of His Majesty's Government, deals with the relations between Transjordan and Nejd. I have the honour to transmit to you the accompanying copies of the White Paper containing the texts of these instruments.⁴

4. As regards the Holy Places of Islam, the policy of His Majesty's Government remains unchanged. Now, as in the past, His Majesty's Government are determined to avoid any form of intervention in questions affecting the Moslem religion. They have always discouraged any attempt by British non-Moslems to enter the interior of the Hejaz. At the same time they are concerned for the welfare of Moslem pilgrims from the British Empire, and are interested in any measures which may tend to improve the conditions in which they make the pilgrimage to Mecca and Medina.

5. Relations with Ibn Saud are maintained through His Majesty's agent and consul at Jeddah. His Majesty's Government further contemplate the eventual conclusion of a treaty of friendship with Ibn Saud.

I have, &c.,

(For the Secretary of State)

THOMAS SPRING RICE⁵

³ Chief Secretary to the Government of Palestine, October 1922–April 1925.

⁴ See Cmd. 2566 of 1925.

⁵ A member of the Eastern Department of the Foreign Office.

No. 441

*Mr. Nicolson¹ (Tehran) to Sir A. Chamberlain
(Received August 11, 6.20 p.m.)*

No. 190 Telegraphic [E 4724/4521/34]

Very Urgent

TEHRAN, August 11, 1926, 2.10 p.m.

Government of India's telegram clear the line of August 10th.²

I need scarcely point out deep resentment which would be caused here by any violation of Persian sovereignty and danger of occasion for propa-

¹ H.M. Chargé d'Affaires at Tehran pending the arrival of Mr. R. H. Clive who had recently been appointed H.M. Minister at Tehran in succession to Sir P. Loraine.

² Not printed. This telegram, repeated to Tehran as No. 73 T, referred to the situation in Sarhad, where Dost Mohammed of Bampur, Governor of Persian Baluchistan, had advanced on Khwash in the apparent belief that the withdrawal of the frontier garrison from

ganda and precedent for similar action which such a step would give the Russians.

My main anxiety however is that Persian government would complain to the League.

I should therefore prefer to give no previous warning which might only provoke Persian government to enter formal protest before the event and thus render our subsequent action even less in accordance with covenant.

I would urge therefore that no warning be given but that in the last resort government of India should take action on sole justification of emergency measures to protect life and property against frontier brigands.

If consent of local authorities could be obtained at the last moment so much the better. Pending your instructions I have warned consul-general at Meshed not to make to the Shah any threat of British intervention but merely to mention that British troops are being sent towards frontier in case any brigands cross into India. This will give His Imperial Majesty chance of inviting our co-operation if he so wishes. I am fairly certain however that he will never dream of doing so.

Addressed to Foreign Office No. 190. Sent to India and Meshed No. 71.

that town signified the collapse of the authority of the Persian Government. This advance formed a possible threat to British personnel and interests in the Duzdap-Mirjawa railway and to British lives and property in these towns. The Government of India's telegram proposed that a warning should be given to the Persian Government that if the danger to British lives and property were imminent, His Majesty's Government reserved the right to take the necessary action to protect them.

No. 442

Sir A. Chamberlain to Mr. Nicolson (Tehran)

No. 117 Telegraphic [E 4746/4521/34]

Very Urgent

FOREIGN OFFICE, August 11, 1926, 3.32 p.m.

Government of India's telegrams to you 72 T¹ and 73 T.²

You should urge Persian government not to hesitate to use British aeroplanes for conveyance of messages to Kwash if Persian machines not immediately available. It is hoped that this has been arranged locally already.

You should remind Persian government of patience exercised by His Majesty's Government last year when very similar crisis occurred in Sarhad. Now as then His Majesty's Government are determined not to send troops into Persian territory except in the last resort and to extent necessary to save British lives. Nevertheless they will only be able to avoid such regrettable action if Persian government take situation in hand immediately and effectively. His Majesty's Government therefore warn Persian government that if attack on Duzdap, Mirjawa and railway between is imminent His Majesty's Government will not hesitate to take necessary steps to save lives of British personnel employed on the railway and other British subjects in

¹ Not printed.

² See No. 441, note 2.

Duzdap who may desire to leave. Military intervention by British forces in Persian territory will not, however, go beyond action deemed necessary to save lives, except on express request of Persian government. Following instructions are being sent to government of India by Secretary of State for India:—

A. Despatch of two empty trains accompanied by minimum armed guard, if this is absolutely necessary for defence of train, to evacuate from Duzdap British railway personnel and other British subjects desiring evacuation. Armed guard if sent should not leave train unless absolutely essential.

B. Only if absolutely necessary despatch of minimum force into Persian territory to cover withdrawal of evacuation trains if this is clearly threatened.

C. No troops must enter Persian territory and no aeroplanes cross frontier for any other purpose than foregoing, except on written request of high Persian authority communicated through chargé d'affaires, and particularly no force must enter Persia for protection of property after evacuation of personnel except on express request of Persian government.

You should warn Persian government that His Majesty's Government reserve right to recover from Persia value of British property looted or destroyed. You may also suggest that government of India will be ready to accede to any reasonable request for assistance which Persian government may ask for in order to stabilise situation and assist Persian troops in defence of British property in area in question.³

Repeated to India.

³ Mr. Nicolson reported in Tehran telegram No. 191 of August 12 that he had acted as instructed. In his telegram No. 192 of August 13 he added that he had made the communication orally to the Persian Minister for Foreign Affairs, Mirza Ali Quli Khan Ansari.

No. 443

Sir A. Chamberlain to Mr. Nicolson (Tehran)

No. 119 Telegraphic [E 4724/4521/34]

Immediate

FOREIGN OFFICE, *August 12, 1926, 4.5 p.m.*

Your telegram No. 190¹ (of August 11th: Duzdap), crossed mine of the same date No. 117.²

I am content to leave question of warning to your discretion, but you should do your utmost to obtain prior consent of local authorities in case of immediate need for intervention arising.

We should act only if necessary to save life and in absence of any Persian force capable of giving protection.³

Repeated to India.

¹ No. 441.

² No. 442.

³ According to a minute by Mr. Mallet of the Eastern Department, when drafting this telegram Sir A. Chamberlain took into account a point raised by Mr. Lampson, namely 'the risk of doing precisely the same thing in Persia as we have recently been urging the S[er]b

C[roat] S[lovene] Govt. not to do in the Balkans, viz. invading the territory of a neighbouring state as a reply to incursions from marauding bands from that state. In the Balkans we hold an appeal to the League over States contemplating such military action somewhat like the sword of Damocles and we should look foolish indeed if Persia arraigned us before the League.' The reference was to representations recently made to the Serb-Croat-Slovene Minister for Foreign Affairs by H.M. Minister at Belgrade in respect of the reactions of his government to recent incidents involving Bulgarian guerrillas (Komitajis).

No. 444

Mr. Nicolson (Tehran) to Sir A. Chamberlain

(Received August 13, 5.40 p.m.)

No. 193 Telegraphic [E 4759/4521/34]

TEHRAN, August 13, 1926, 11.35 a.m.

Your telegrams Nos. 118,¹ 119.²

Deeply regret misunderstanding. I had calculated my telegram No. 190³ would reach you four p.m. August 11th. Your telegram No. 117⁴ reached me 8 a.m. August 12th. I waited 9 hours before taking action on the chance that my telegram might lead you to modify instructions. Even then I should not have delivered warning had I not received during the day message from Duzdap saying that rebels were only a few miles from Mirjawa. I therefore did not feel justified in further delaying execution of such explicit instructions. Message was thus delivered to Minister for Foreign Affairs at 5 p.m. August 12th. Your telegram No. 119 only reached me at 8. (?39) a.m. to-day August 13th. The fact that my representations were verbal may diminish bad effects, but had I received your telegram No. 119 in time I should certainly not have delivered warning.

If necessity arises which I doubt I shall endeavour to obtain consent of Persian government to our intervention. There is however no chance whatever of my obtaining it: Cabinet would refer the matter to the Shah who would be guided only by personal considerations and his fear of Russia.⁵

Addressed to Foreign Office No. 193. Sent to India.

¹ Not printed. This telegram of August 12 instructed Mr. Nicolson to suspend action on No. 442: No. 443 was following.

² No. 443.

³ No. 441.

⁴ No. 442.

⁵ In his annual report on Persia for 1926 H.M. Minister at Tehran subsequently stated that the ill effects of Mr. Nicolson's communication were 'modified by the fact that the Minister for Foreign Affairs appears not fully to have understood it, whereas the possible resentment of the Shah, who was still at Meshed, was stilled by the tact of His Majesty's consul-general, Colonel Haworth. . . . There were indications, however, that the Shah and his Government fully realized that the situation had for several days been highly critical, and that the firm action of the Government of India and His Majesty's consul for Seistan and Kain had alone prevented what might have been a very serious disturbance. It is to be noted, for instance, that neither the Shah nor the Government have since referred to the matter except incidentally, and that no reproaches have been addressed to us for having threatened the despatch of British troops.'

Sir W. Tyrrell to Mr. Wingfield (Rome)

No. 1257 [E 5242/2660/91]

FOREIGN OFFICE, *September 13, 1926*

Sir,

With reference to your telegram No. 194,¹ Secret, of the 7th September, I transmit to you herewith copies of a memorandum on the subject of the Imam-Idrisi² conflict in Arabia, and its reaction on British and Italian interests in the Red Sea, which was communicated to the Italian Ambassador by Sir William Tyrrell on the 9th September.³ I enclose at the same time a copy of Sir William's record of his conversation with the Marquis della Torretta.

2. These papers will suffice to make clear to you the somewhat delicate situation that has arisen. They are for your information only, and I do not desire you to take any action in the matter. If the question is referred to in conversation at the Italian Ministry for Foreign Affairs, you should confine yourself to emphasising my preference for a frank discussion with Signor Mussolini of all questions that threaten to disturb the intimate and friendly relations between the two countries, and my confidence that the explanations contained in the memorandum handed to the Italian Ambassador will result in averting any possible misunderstanding in regard to Arabian affairs.

3. I shall be glad to receive at an early date any further information you may be able to obtain regarding the Italian treaty with the Imam, referred to in your telegram under reference, and particularly regarding the implications of Italian recognition of the Imam as King of the Yemen. The Imam, as you are aware, claims sovereignty over the Aden Protectorate and is already in occupation of certain frontier areas.

I am, &c.,

[W. T.]

¹ Not printed. This telegram reported the signature of an Italian-Yemeni treaty of friendship and Italian recognition of the Imam Yahia as King of the Yemen. This treaty, signed at Sanaa on September 2, 1926, is printed in *British and Foreign State Papers*, vol. 124, pp. 1011-13.

² The Idrisi of Asir: cf. Volume I, appendix, paragraph 79.

³ Not printed: this memorandum, which is summarized in *I Documenti Diplomatici Italiani*, Settima Serie, vol. iv, No. 416, explained in particular that H.M. Government would have preferred to disinterest themselves in this conflict, but in view of the Imam's receiving foreign arms had felt obliged to permit both King Ibn Saud and the Idrisi of Asir to obtain arms in Great Britain. The memorandum of October 4 from the Italian Embassy in reply to the British memorandum proposed that technical conversations should take place in Rome regarding British and Italian interests in the area of the Red Sea: see also No. 255. His Majesty's Government accepted this proposal and Sir G. Clayton was appointed British representative at these conversations.

ENCLOSURE IN No. 445

Record by Sir W. Tyrrell of a conversation with the Italian Ambassador

FOREIGN OFFICE, *September 9, 1926*

I asked the Italian Ambassador to call today and I took advantage of the receipt of Mr. Wingfield's telegram no. 194 of the 7th instant to thank His Excellency for the courtesy of his Government in communicating to us the news that a treaty of friendship had been concluded between Italy and the Imam of Yemen.

I told the Ambassador that I would take advantage of this opportunity to speak to him on the relations between the Imam of the Yemen and the Idrissi of Asir, who had come into conflict in the Red Sea, since it was our sincere desire to confine the struggle to its proper sphere and prevent its development in any way impairing the good relations between our two countries, to which we all attached the utmost importance.

I reminded His Excellency that if this practice which we were now adopting had been followed in the past many disagreements might have been avoided between European countries, who had frequently become involved in heated and painful arguments into which they had been dragged by the action of local chiefs and officials. I repeated that I could not sufficiently emphasise your desire to invite a frank expression of views on the subject by His Excellency's Government in order that we might succeed in convincing these Arab chiefs that they would be unable to embroil our relations, however much they might desire to fight each other on the spot.

I handed to His Excellency the accompanying memorandum, in which he would find the views of His Majesty's Government with regard to the conflict between the two Arab sultans.¹

The Marquess Torretta thanked me for this proof of friendship and loyalty. He promised to acquaint his Government without delay with our views, and he did not anticipate any divergence of views on their part. He was convinced they would highly appreciate the spirit which animated Sir Austen Chamberlain in seeking a frank explanation with a view to prevent an embarrassing and delicate situation from developing out of this local struggle.

W. T.

No. 446

Sir A. Chamberlain (Geneva) to Mr. Hoare¹ (Constantinople)

No. 797 [W 8880/223/98]

GENEVA, *September 14, 1926*

Sir,

I learnt some days ago that Hussein Raghib Bey, Turkish Minister at Bucharest, was in Geneva in the character of an observer of the League, but

¹ H.M. Chargé d'Affaires at Constantinople pending the arrival of Sir G. Clerk who succeeded Sir R. Lindsay as H.M. Ambassador to Turkey on November 12.

that his conversations in various quarters seemed to point to the conclusion that the Turkish Government were seriously considering an immediate application for admission to the League. He enquired of Sir Eric Drummond whether, if he asked to see me, he would be received by me, and Sir Eric having informed him with my authority that I should be happy to see him, he called upon me this morning.

After expatiating at length on the peaceful character of the policy of the present régime in Turkey, on its reprobation of the policy of conquest pursued for so many generations by the Sultans, after dwelling upon its acceptance of the territorial *status quo* (all the more easy, he explained, since there was room within Turkey's present boundaries for an immensely increased population) and after insisting upon Turkey's wish for stability and security, he proceeded to observe that the great majority of Turks had always been 'in principle' friendly to the League. A small fraction were opposed to it, and some recent events,² upon which he need not dwell, had perhaps strengthened that opposition. Personally, however (and throughout he repeatedly insisted that he was speaking only for himself), he favoured the idea that Turkey should make an immediate application. He would venture to ask how I should regard such a step.

I replied that I should view it with great pleasure, and with every disposition to facilitate Turkey's entry.

Raghib Bey then said that an assurance that on entry Turkey would receive a temporary seat on the Council would no doubt have great weight with Turkish opinion, and would render it much easier for the Government to win over the opposition.

To this I replied that it was impossible for me to give any assurance of the kind. I could not in any way speak for the Assembly with whom the decision rested, but I would strongly urge the Turkish Government not to suggest a conditional entry, but to apply without conditions and trust to the constitution of the society and Turkey's qualifications to secure her a seat when occasion offered.

Raghib Bey continued to turn about this point for a considerable time. I repeated that we had definitely decided that as far as we were concerned we would give no more pledges in matters of this kind. Germany had made conditions, then Brazil, then Spain. Any encouragement of further demands of this kind would only create difficulties for the League and lead to a general system of blackmail. But I invited him to consider the actual position. The Preparatory Committee on the Composition of the Council had contemplated that a second seat should be given to an Asiatic Power. The number of Asiatic Powers was limited. There were only five possible candidates: China, India, Persia, Siam and Turkey if she were a member of the League. I could give him no engagement as to the future, but I might tell him that, having regard to the present chaotic condition of affairs in China, I should

² The reference was presumably to consideration by the League of Nations of the frontier between Turkey and Iraq and especially to the decision of December 16, 1925, by the Council: cf. Volume I, Chapter V, *passim*.

have voted for Turkey on this occasion if she had been eligible. As to the future, she must await her opportunity, but it appeared to me inevitable that, apart from any conditions or pledges, Turkey, if a member of the League, would be elected to a seat on the Council within no very lengthy period. More than that I could not say. His Government must make their own appreciation of their chances and determine what importance should attach to the considerations which I had advanced. I would not even use any language which implied any promise or an engagement or could lead them to say hereafter, if they did not obtain a seat as early as they had hoped, that I had given rise to expectations which had not been fulfilled.

Raghib Bey thanked me warmly for having received him and for the sympathetic manner in which I had spoken of Turkey.

As he rose to leave I detained him to say that, now that we had finished our discussion of the question which he had raised, I would venture to tender a word of advice. To avoid any risk, I would urge the Turkish Government to settle any outstanding difficulty with other Powers before she applied for admission and to make it clear to everyone that Turkey intended to observe her international obligations. This remark drew down upon me a long exposition of the Turkish argument in the *Lotus* case³ and a homily upon the impropriety and indeed impossibility of any interference with the court of justice in the case of so enlightened a Government as that of the Republic of Turkey.

I replied that I did not wish on this occasion to enter into the merits of the case, but that if I were putting up for a club I should try not to have an open quarrel with an important member at the moment when I came up for election.

I am, &c.,

AUSTEN CHAMBERLAIN

³ For the incident regarding this French ship see: *Publications of the Permanent Court of International Justice, Series A—No. 10, September 7th, 1927, Collection of Judgments: The Case of the S.S. 'Lotus'.*

No. 447

Mr. Nicolson (Gulhek) to Sir A. Chamberlain (Received October 25)

No. 486 [E 5994/92/34]

GULHEK, September 30, 1926

Sir,

The impending arrival of Mr. R. H. Clive as successor to Sir Percy Loraine furnishes a convenient occasion to review the present state of Anglo-Persian relations and to record some of the more important elements in the situation as it stands today. I shall try to render my observations as objective as possible, and to avoid all considerations of a purely speculative nature. It should be remembered moreover that in this country, where no two

straight lines are parallel, any precise analysis or forecast is apt to be misleading: the logic of Persian events pursues a zig-zag course, turning back upon itself at moments, and at moments diverging on some sudden tangent. The gift of reason has not been granted to the Persians, and the intuition on which they rely is feckless and often rudimentary. His Majesty's Representatives at Tehran have thus been tempted to eschew prediction: but there are moments, and this is one of them, when some consideration of general principles, some departure from the empirical method, may be justified. I therefore communicate to you my doubts and my conclusions for what they may be worth.

(2)

2. British policy in Persia is based upon certain inherited maxims the present validity of which it is perhaps beyond my province to question. The more important of these maxims are the following:—

- (1) That the maintenance of Persia as a buffer State between Russia and the Indian Empire is essential to Indian defence.
- (2) That the requirements of Indian defence also necessitate the exclusion of any other great Power from the Persian Gulf.
- (3) That British prestige in the East in any case renders it impossible for us to relax our traditional efforts to maintain a dominant position in Persia.
- (4) And that the Anglo-Persian oil fields are a British Imperial interest which must in the last resort be protected by force.

3. Of these four maxims, the last is, I trust, unquestionable. The first three entail considerations of general Imperial policy and defence on which it would be imprudent for me to venture any direct comment. I would wish merely to urge that if these are in fact the axioms of our policy it would be useful if they could be re-examined and re-affirmed. The following questions, for instance, are continually suggested to me, and to these questions I find myself quite incompetent to provide an answer:—

- (1) *What is meant by the expression buffer State?*

Do we mean (a) merely a geographical tract of undeveloped territory over which it would be difficult for a Russian invasion to progress: or (b) a neutral and independent State able to defend her neutrality by force of arms: or (c) a sanitary cordon protecting India from the infection of Russian propaganda? These questions have more than an academic interest. If the answer to (a) is in the affirmative, then our policy should logically be to retard the progress of Persia and to oppose all construction of roads or railways. If (b) is our objective then we should face the fact that Persia will not for long be able to maintain her independence without our active assistance. If (c) is our main requirement then we should be prepared to expend greater energy on preventing the spread in Persia of sovietic influence.

(2) *Is the defence of India really dependent on Persia constituting a buffer State?*

If the answer to this is in the affirmative, then a more positive and active policy may possibly be required. If in the negative (if, that is, there is either no real danger of a Russian invasion, or if that invasion could only strike India through Afghanistan) then our anxiety regarding Persia and the large diplomatic and consular establishments therein maintained are possibly both misplaced.

(3) *What in fact are our post-war objectives in the Persian Gulf?*

Is our interest in the Persian Gulf anything more than an inherited habit of thought? How far, for instance, do the close relations established with 'Iraq and the consequent foothold obtained by us at Basrah modify the previous conception of the measures necessary to meet a Russian drive towards the South?

(4) *How can our political prestige best be maintained?*

Does the fact that Russia of today appears as a liberator and represents us as the oppressor alter the old conception of the means by which our prestige can be safeguarded? The new Persia reacts against our old methods: should we enforce these methods or make a virtue of their abandonment? Is our present system of giving way grudgingly step by step really conducive to the maintenance of our popularity and reputation?

(3)

4. I raise these questions merely in order to indicate the ultimate nature of the predicaments by which we are assailed. It is the prevailing uncertainty on such points which renders the execution of British policy in Persia so empirical and at times so disheartening. To most of the above questions however no reply can be forthcoming: the answers to them depend on developments which are still obscure or on considerations which it would at present be useless or unwise to ventilate. It is perfectly obvious that no dramatic change of policy is at present possible: we cannot risk the issues either of a policy of complete withdrawal from Persia or of a policy of active intervention. To leave Persia absolutely to herself would entail dangers which it is impossible to estimate: the policy of active assistance would involve a degree of intervention intolerable alike to Persian public opinion, to our own public opinion, and to that of the World. We are obliged therefore to steer between the two. We are obliged in practice to hover between conceptions inherited from the XIXth Century and those that have arisen since the war: our policy must be tentative, and at moments it must of necessity be illogical and confused. I would merely observe that this middle course is in fact a compromise between two irreconcilable alternatives. We call it 'the policy of good relations and non-intervention': such a label will do as well as any other: but let it not be supposed that such a policy is anything but negative, or that such a compromise is as easy and as satisfactory as it sounds.

5. The policy of good relations and non intervention has been defined as an endeavour to create a friendly and a self-dependent Persia. This, I fear, is an optimistic definition. Persia can scarcely become self-dependent: she will only become actively friendly when she herself realises that she is in imminent danger of her life. I shall deal first with the factor of good relations.

6. When Sir Percy Loraine arrived here in the autumn of 1921 the wave of Anglo-phobia had reached its height. By unfailing patience, unceasing labour, and great force of personality he was able to check the flood and to establish Anglo-Persian relations on the basis where they rest today. Positive hostility to Great Britain is now confined to the half-educated middle classes: the more responsible Persians are now inspired by feelings of passive and timid friendship. It is important to define the quality of this friendship. It means, I think, that no Persian cabinet is likely to do anything against us. This in itself is a very great advantage. There exist a great number of controversial questions in which the Persian Government, did they so desire, could make themselves highly unpleasant. Such matters as the Gulf, the status of British subjects, the position of the Indo-European Telegraph Department and of the Bank,¹ the rights of the Anglo-Persian Oil Company would all furnish rich material for any ambitious Persian Minister who wished to court popularity by taking an active line against us. The fact that at present such a danger is not seriously to be apprehended is due entirely to the remarkable work accomplished by Sir Percy Loraine. On the other hand, this friendship is at present confined to the more educated politicians: it is not in any way shared by the Majlis:² it is purely negative and very timid. Although no Persian Minister wishes openly to act against us, they are all equally afraid of openly acting in our favour. They will be lavish in promises and protestations: but they will not dare to face the Majlis, or even to sign a decree, in support of any matter in which we are known to be interested. They will procrastinate in such matters, and evade. I see little prospect at present of the early settlement of any of our outstanding questions.

7. The nature of the anti-British feeling in the Majlis is more difficult to define. To a large extent it arises from the bitterness engendered by the 1907 agreement³ and the events which accompanied and followed the War. This factor will in time be likely to disappear. A further element is the tendency of all Persians to put the blame for their shortcomings upon someone else: the thought of Russia is so unpleasant to them that they repress it: they try to convince themselves that Russia is really the liberator and the friend: and the force of their accumulated repressions is discharged upon Great Britain. We are represented as, and sometimes believed to be, the

¹ The reference is presumably to a dispute between the British owned Imperial Bank of Persia and the Persian Government regarding the right of the latter to allow a rival bank to style itself the Bank-i-Iran.

² The Persian National Assembly.

³ The Anglo-Russian Convention of August 31, 1907, regarding Persia, Tibet, and Afghanistan is printed in *British and Foreign State Papers*, vol. 100, pp. 555-60.

villains of the piece. The Persian demagogue, (and the Majlis is dominated by demagogues) will tend to block any proposal which may be thought pro-British. The fact that we are identified with the Shah increases our unpopularity. And finally, there is the practical effect of Russian propaganda and of Russian bribes. It will take several months before the Majlis crystallises into parties and attains to any sense of responsibility. When this happens it is possible that the majority may be not unfavourable to us. They may even be friendly. For the moment however the Majlis is hostile, and no Persian politician will dare openly to support our cause.

(5)

8. I am thus not without hopes that the policy of good relations may in the end produce some fruits. Conversely, a policy entailing bad relations would lead to endless complications. I fear however that the policy of creating a stable and self-dependent Persia, capable of maintaining herself unaided, must be regarded as somewhat chimerical. Our hope had been to encourage the development of a new Persia disciplined and homogeneous. It was thought that Reza Shah would secure the election of a subservient Majlis, and thus combine the advantages of constitutional Government with those of autocratic control. These hopes, I fear, have up to now been disappointed. The deputies, it is true, were elected under the Shah's orders, but on entering the Majlis they have turned against him, and we have now, not cooperation, but bitter opposition between the Parliament and the Court. The machinery of Government is thus completely out of order and, unless the Shah can be induced to make his peace with the National Assembly, a further *coup d'état* if not a revolution is to be feared.

9. This constitutional chaos would not in itself be alarming were the personality of the Shah such as we had hoped. . . .⁴ I do not think there are many intelligent men in Persia who imagine that the Shah can for long maintain his throne. His fall may be delayed: at any moment there may be a temporary reaction in his favour: but when he does disappear his dynasty can scarcely survive him but will be followed either by a Republic or possibly by the return of the Qajars.⁵ In any case a period of serious instability must at any moment be expected. From this instability the Russians will profit largely.

10. A further and more mortal factor in the disintegration of Persia is the economic pressure being exercised by the Soviet. The closure of the Russian frontier⁶ has already partially ruined the northern provinces: upon an organism thus weakened Russian propaganda and Russian money-lenders can batten with ease. The Persians appear quite unable to cope with this menace: they pretend even that it does not exist: and meanwhile the Northern Provinces are falling very rapidly into complete economic servi-

⁴ Some personal remarks are here omitted.

⁵ The last Shah of the Qajar dynasty, Sultan Ahmed Shah, had been deposed on October 31, 1925, and had been succeeded as Shah by Reza Khan.

⁶ In January 1926: see Volume I, No. 565.

tude to the Soviet. The reaction when it comes, will come too late. It is seriously to be apprehended that a Soviet Republic may one day be proclaimed in Azerbaijan.

11. These new and disturbing symptoms affect a body already weakened by congenital disease. The chaos in the administration is as appalling as ever. The Army is subject to sporadic mutiny which may at any moment become concerted. The tribes are restless and waiting for a lead. The people are impoverished and oppressed. The administration of justice is a greater scandal than before: the Civil Service is unpaid, corrupt and incompetent: over the whole country broods a dark cloud of uncertainty, insecurity and despair. I fear that the people would welcome any change which they imagined might prove a solution or at least an alternative. It is not possible in such circumstances to speak honestly of Persia becoming self-dependent.

(6)

12. The picture I have drawn is a black one. I do not feel that it is exaggerated. If it can be qualified at all it can be qualified only by the consideration that the Persian people are immensely patient and immensely resilient. Circumstances which in any other country would lead to revolution produce in Persia merely a dark ripple of discontent. The agitation passes, the waters resume their stagnant placidity; people forget. It could be argued therefore that the present situation is no worse than many others which have preceded it, and that we have therefore no undue cause for apprehension. I should agree with this diagnosis did I not fear that Reza Khan, while failing to regenerate Persia, has succeeded in changing certain factors which gave to the country its previous elasticity, and its remarkable power of resistance. The old Persia was a loose-knit pyramid resting on its base. The new Persia is a pyramid almost equally loose but resting on its apex: as such it is easier to overthrow. In the old days, if things disintegrated in the centre or the North, we had always the Sheikh of Mohammerah, the Bakhtiari, the Baluchis on whom we could rely. These shock-absorbers are now in process of being eliminated. The policy of centralisation has not strengthened British interests in Persia, it has merely loosened the foundation on which they were based. I fear that a revolution today would damage our interests more seriously than any revolution in the past.

13. A further and not dissimilar inconvenience is that we have placed all our hopes upon one man. If that man disappears, (and his disappearance seems highly probable) we may find it difficult at once to discover other elements of stability on which to reconstitute our policy. Our old tribal friends have been sacrificed to the policy of centralisation: the elder statesmen have each in turn been discredited: the Majlis and the nationalists are hostile: the republicans regard us as identified with Reza Shah. For a period at least British policy would in such an event be left inconveniently in the air. And meanwhile the Russians would profit rapidly and perhaps irretrievably by the chaos which would follow.

(7)

14. It would be unwise to overestimate the danger; we are perhaps a little given to attribute to Russia designs more aggressive and objective than she really possesses. That Russia wishes to destroy our prestige and trade in Persia I have little doubt: that she wishes to bring Persia within her own orbit is also unquestionable: but I certainly do not believe in any Russian desire to absorb Persian territory, and I am not absolutely convinced that she is working even for the establishment in Persia of a Soviet Republic. At the same time it would clearly be unwise to contend that the Russian danger does not exist. The most misleading of all the platitudes by which we are consoled is that which represents Persia as immune to communist doctrines. The Persian people are concerned with no social theory, although a rural jacquerie might possibly be provoked. The conflict is in its essence the old struggle between East and West, and it is important to recognise that Russia is widely and increasingly regarded as the protagonist and champion of the oppressed Eastern peoples. It is no exaggeration, I think, to contend that Russia may gradually assume the position enjoyed by Turkey under the old pan-Islamic theory. The instinctive oriental hatred of Western competence and superiority does not colour their attitude towards the Soviet: they feel a kinship: there are many Persians who are beginning to ask themselves whether Russia is not after all the liberator and the friend. If one enquires from what particular oppression Russia is to deliver them, they hesitate to say: but it is not to be doubted that this oppression is the oppression of their own moral and mental inferiority to the West. It can readily be recognised what psychological temptations Soviet propaganda is thereby able to offer: when to this is added physical and economic suffering, it is not surprising that Soviet influence should be submerging the northern provinces in a slow but inevitable tide.

15. Against this we possess, it is true, no inconsiderable assets. We are respected, we are even feared: in the last resort we are trusted. The Persian people are congenitally afraid of Russia, and the belief in Russia's friendship is at present a hope rather than a conviction. Above all the governing and propertied classes, of whom the Majlis is composed, have a wholesome fear of communism. They may be charmed for the moment by the idea that Moscow will lead them in triumph against the West: but this pleasant thought is easily checked when they think of their peasants and their lands. I have little doubt that in the end responsible Persian opinion will rally almost solidly to our side. My fear is that if the present uncertainty and even chaos is prolonged this return to sanity may be too long delayed.

(8)

16. I trust that I have made it clear that I do not for one moment advocate any change in the policy at present being pursued. My aim has merely been to analyse the causes and effects of this policy and to dispel any misapprehensions regarding its productive value. I have tried to show that Persian

friendship for Great Britain is as yet a very frail little seedling, and that Russian influence is in comparison a healthy weed which freely propagates. I have tried to show that any hopes based on the belief that Persia can by her own efforts become stable and self-dependent are liable to disappointment. In conclusion I would venture to submit for your comments certain corollaries deduced from the above reasoning:—

- (1) That the policy of good relations has as its immediate object the avoidance of bad relations. Were we to be on bad terms with any Persian Government the latter could raise controversial questions which it would in present conditions be awkward to counter. The avoidance of such controversies is in itself a diplomatic task of great difficulty.
- (2) That for this purpose great care should be exercised continually to convince the Persian Government of the sincerity of our protestations. Such incidents as the threatened violation of the Eastern frontier by Indian troops, or the assistance given to Salar-ed-Dowleh⁷ and the Kurds by the 'Iraqi tribesmen, may undo months of patient labour. Such courtesies, on the other hand, as our support of Persia's candidature at the Council of the League are of very great assistance.
- (3) That while recognising the negative value of good relations we should not be disappointed if they produce no immediate positive result. Our policy is frankly one of waiting: let our patience at least be consistent and continuous.
- (4) That while basing no important calculation on the possibility of Persia becoming stable and self-dependent we should continue to do everything possible to assist the elements of order. That while having no illusions regarding the Shah's capacity we should continue to afford him our support and friendship: that we should at the same time discreetly widen the basis of our sympathy by cultivating a better understanding with the Majlis, and particularly with the Nationalist party.
- (5) That we should avoid being manoeuvred into the position of champions of Persia against Russia. That we should rather encourage Persia to come to terms with Russia provided she can do so without sacrificing her independence.
- (6) That we should cultivate relations of the utmost frankness and co-operation with the representatives of Foreign Powers, and particularly with the American Legation and financial Mission.⁸

⁷ In July 1926 Prince Salar-ed-Dowleh of the Qajar dynasty had joined in an attempted Kurdish revolt against Reza Shah. After its failure he took refuge in Iraq where he was subsequently arrested at the end of October. Meanwhile Reza Shah's conviction that Salar-ed-Dowleh had received British support was affecting relations with H.M. Legation.

⁸ In this connexion Mr. Nicolson had reported in Tehran despatch No. 410 of August 14 on the increasing unpopularity in Persia of the American Financial Mission, stating in particular: 'It is not to be expected that any Persian would appreciate at their real value the high integrity, the passionate loyalty, the unswerving faith, the unflinching devotion which

- (7) That we should increasingly urge the Persian Government to develop the southern provinces and trade routes and the port of Mohammerah.
- (8) That we should make it abundantly clear to the Persian Government that we shall tolerate no interference with the Anglo-Persian oil fields.
- (9) And that in all considerations of the defence of India we should proceed on the assumption that Persia is in a chronic state of disintegration and that the northern provinces will sooner or later fall under the economic, political and even strategic control of Russia.

17. A copy of this despatch is being sent to the Government of India and to His Majesty's High Commissioner for 'Iraq, Baghdad.⁹

I have, &c.,

HAROLD NICOLSON

Doctor Millspaugh [Financial Adviser to the Persian Government] has lavished in their service. . . . There is no doubt that the American Mission while enriching the Persian Government have impoverished Persia. The taxation levied is uneconomic, the purchasing power of the country has sensibly declined: the money thus acquired is not expended for productive purposes, but goes only to swell Doctor Millspaugh's quarterly reports. And the huge loans which it was hoped that America would present to Persia become, as the years pass, ever more and more remote. It is increasingly stated therefore that the American Mission has proved a failure, and many Persians look back with regret to the more intelligent and elastic advice given them by Mr. Armitage Smith [British Financial Adviser to the Persian Government 1920-1: see First Series, Volume IV, Chapter V, and Volume XIII, Chapter III], who in spite of the ambiguous position in which he was placed has left behind him a reputation which is indeed remarkable, and at which I am frankly surprised. On the other hand all thinking Persians hesitate to antagonise American opinion by dismissing a Mission on which they imagine that the eyes of all America are turned.' In the face of this criticism Mr. Nicolson reported that he had 'been at pains to point out the great services which the Mission has rendered and to urge upon Persians a greater sympathy and understanding of Doctor Millspaugh's task. I have also instructed His Majesty's Consuls in the provinces to adopt towards the United States Mission an attitude of absolute loyalty and not to encourage or assent to the criticisms which will be made.'

⁹ In minutes on this despatch Mr. Oliphant, Head of the Eastern Department of the Foreign Office, Sir W. Tyrrell and Sir A. Chamberlain expressed general disagreement with Mr. Nicolson's views: see further No. 458.

No. 448

Sir A. Chamberlain to Sir R. Graham (Rome)

No. 1365 [E 5711/226/44]

Very Secret and Confidential

FOREIGN OFFICE, October 8, 1926

Sir,

Your Excellency will recollect that His Majesty's Ambassador at Paris in his telegram No. 355¹ of the 14th September reported a conversation between the Secretary-General at the Quai d'Orsay and Mr. Phipps, when M.

¹ Not printed.

Berthelot stated that the Italian Ambassador had alluded to the possible necessity of using some day forcible measures against the Turks in Anatolia, and had enquired whether in the event of some unjustifiable act on the part of the Turks Italy could count on the benevolent neutrality of the French Government.

2. I think it well to inform Your Excellency, for your personal information, that when I was discussing Italian policy with M. Briand on the 2nd October,² he told me that the Italian Ambassador had sounded him as to the probable attitude of France towards Italian ambitions in Asia Minor in the event of a break up of the Turkish Government.

3. To my surprise M. Briand said that, whilst using some language to imply that this was a contingency which need not be considered now, he had replied that France had no interests in that quarter and that Italy need not therefore expect French opposition.

4. A copy of this despatch is being sent to His Majesty's Ambassador in Paris for his personal information. This record of my conversation is not being circulated in any other quarter.

I am, &c.,
(for the Secretary of State)
LANCELOT OLIPHANT

² Cf. No. 238.

No. 449

Memorandum by Sir P. Loraine

[E 6075/92/34]

Confidential

FOREIGN OFFICE, October 10, 1926

The desirability from a British point of view of concluding with Soviet Russia an agreement relating to Persia, and somewhat analogous to the Anglo-Russian agreement of 1907, was discussed and strongly deprecated in Tehran despatch No. 366¹ of July 4, 1925, and the Secretary of State has asked that the arguments against any such course should be developed.

The question goes to the roots of British policy in regard to Persia. Generally speaking, there seem to be two alternative policies in Persia, the second of which has some variations:—

- (1) to do all we can to maintain the independence, integrity and sovereignty of Persia and to secure so far as we can a friendly attitude towards Great Britain on the part of Persia;
- (2) to regard Persia as a decadent power which requires outside assistance to prevent it from disintegrating; and to meet that danger, which would react seriously on all our Indian and Middle Eastern

¹ Not printed.

interests, by endeavouring to secure a preponderant influence in Persia, which in practice would amount to a virtual control,

- (i) by ourselves,
- (ii) in conjunction with another Power or Powers. The Power which suggests itself is, of course, Russia: an understanding on the subject with any other Great Power, such as U.S.A., France, Italy or Germany is hardly thinkable in present circumstances: the three last named Powers have not sufficient interest in Persia: the United States would smell a foreign political entanglement and shy off.

Policy (1) is that to which His Majesty's Government are now committed and, in my opinion, rightly so, because it seems the one best calculated to avert the developments in Persia which would be most damaging to British and especially Indian interests, viz.:—

- (a) Persia falling under the influence or control of a foreign and possibly hostile Power;
- (b) Persia disintegrating to such an extent as to render foreign intervention for the re-establishment of order and security a necessity.

In neither of these contingencies would it be possible for Great Britain to remain inactive. Action in either contingency, of an interventionist character, might be difficult, though not impossible, to justify; it might lead us a good deal further than we wished to go, may be also further than the Dominions, except India, would be willing to follow; and it would almost certainly precipitate a state of serious tension with Russia.

So long as we stick to policy (1) our hands are much more free to deal with eventuality (a), and we should not be tied by any previous agreements, very likely embarrassing ones, in the choice of our methods in dealing with eventuality (b).

If, however, we made an agreement with Russia we should, in point of fact, be adopting policy (2). We know too much now about the Bolshevik methods of 'liberating oppressed oriental nations' to believe that Moscow would accept any Anglo-Russian agreement unless they saw therein a means of furthering their own designs and of weakening or removing the formidable obstacle which British influence has opposed to the assertion of Russian influence as a dominant factor in Persia. We have seen quite clearly that Bolshevik policy and Tsarist policy in Persia are not essentially different; methods are altered, it is true, but both regard Persia as a natural sphere of Russian influence, both consider the British as interlopers in that sphere, both have the same absorptionist tendencies and practise the same bullying tactics. These remarks are intended to forestall the argument that an agreement with the Soviets would not necessarily involve a departure from policy (1), or the adoption of the conception which underlies policy (2), because the agreement might be a joint undertaking to maintain the independence and integrity of Persia. His Majesty's Government would certainly enter into any agreement with that actual intention; the Soviets might

sign it with that ostensible intention, but it is inconceivable that they would put that intention into practice. For them, Persia is a pawn: their aim is the enfeeblement and if possible the destruction of British influence and power, and they would only sign an agreement if they saw therein a means of furthering their main objective.

The agreement would thus have the grave disadvantage of having been negotiated by either party with different intentions: the disadvantages would not end there. Locally it would have a deplorable effect on the Persians, for they would see us joining hands with the Power that they dislike and fear the most; they would augur from it an Anglo-Russian determination to undermine Persia's independence and ultimately to partition her territory; they would withdraw from Great Britain all the confidence which has been largely and so laboriously rebuilt in recent years; they would probably carry out their already announced intention of refusing to recognise any agreement relating to Persia made between other foreign Powers and they might lodge a protest with the League of Nations; they would conclude that Great Britain was not strong enough to pursue her traditional policy, and British influence and prestige would correspondingly diminish.

Of the effects produced elsewhere by the conclusion of such an agreement, I am less competent to judge. It seems probable, however, that it would be repugnant to a large and important mass of opinion in this country, which is already resentful at the failure of the Soviets to abide properly by the Trade Agreement;² that it would reawaken abroad, especially in U.S.A. and in France the suspicions of our policy in Persia which were most forcibly and most recently aroused in connection with the Anglo-Persian Agreement of 1919,³ with the amendment now that instead of swallowing Persia whole, we would be satisfied with a limb; that it would give us the appearance, in the world's eye, of a possible encroacher on Persian liberties, instead of preserving the rôle which we are rapidly reacquiring of a Power determined in its own interests, as well as in those of the world, to use our influence against any encroachment on Persia and in favour of any attempt to assist the stabilization and reorganization of Persia.

This memorandum would be easier to write if any case had been made out in favour of an agreement with Russia; and I am not aware that any attempt even has been made to state one. I am not myself able to perceive any advantage in that course; I do not believe that it would result in the removal of any existing pressure; I do feel sure that it would limit our freedom of action without any corresponding benefit, and I foresee that our consorting with the Bolsheviks would have a most disagreeable effect on our prestige in Asia, if nowhere else. If Russia were a great, liberal civilizing country an agreement policy might be beneficial in every way, but neither to-day nor in any near future is there the slightest likelihood of her being classed in that category of Powers.

² The Anglo-Soviet Trade Agreement of March 16, 1921: cf. No. 56, note 7.

³ This Agreement of August 9, 1919, is printed with connected documents in *British and Foreign State Papers*, vol. 112, pp. 760-4: see First Series, Volume IV, Chapter V.

Agreement with Russia would entail a radical alteration of our policy as regards Persia. If it be true, as I believe, that the results of our present policy have been to reduce our commitments, to restore our influence and to improve our relations with the Persians, it seems to me to be an almost fatal mistake to embark on a policy which, as I have tried to show above, would tend to reverse each of those three results. No one would claim that the situation is wholly satisfactory in Persia, and I have yet to meet the man who will tell me when it ever was, but it cannot be denied that the barometer has risen in recent years under the present policy, and even if that policy has not been so successful as might have been hoped, I am not aware of a single cogent reason for changing it. Is it not therefore better to go on facing the dangers and pitfalls that we know, rather than risk those that we wist not of?

PERCY LORAINÉ

N.B. I trust that this memorandum may be read in conjunction with Tehran despatch No. 366 of 1925, which the memorandum is intended to supplement. P. L.

No. 450

Record of a conversation on October 11, 1926, between H.H. the Emir Feisal¹ and the Secretary of State for Foreign Affairs

[E 5796/7/91]

FOREIGN OFFICE, October 11, 1926

Present:— Abdulla Bey Damludji, Hedjaz Minister for Foreign Affairs who interpreted in French throughout.

Mr. S. R. Jordan.²

Upon the Emir being introduced Sir Austen Chamberlain expressed his pleasure at meeting His Highness and hoped that he had enjoyed his stay in London, and that His Highness' visit to this country would serve to strengthen the bonds of friendship already existing between His Majesty's Government and His Highness' father, the Sultan and King.

His Highness replied that he was honoured and pleased at having the opportunity of meeting His Majesty's Secretary of State for Foreign Affairs on behalf of his father and added that he had enjoyed his stay in London immensely.

Sir Austen Chamberlain then stated that he had been informed that His Highness wished to ask him several questions.

Yemen.

Emir Feisal requested to be informed of the views of His Majesty's Government in regard to the situation created in the Yemen by the recently concluded Italian-Yemen treaty.

¹ Second son of King Ibn Saud and Viceroy of Mecca.

² H.M. Acting Consul at Jeddah.

Sir Austen Chamberlain replied that he had been out of United Kingdom for some time and had not had an opportunity of studying closely the treaty, a copy of which had been communicated to His Britannic Majesty's Government by the Italian Government, but he had had whilst in Italy recently, an opportunity of discussing the general situation in the Red Sea with Signor Mussolini,³ between whose Government and His Majesty's Government most cordial relations existed.

Signor Mussolini had promised to study the matter closely and Sir Austen Chamberlain was of the opinion that the situation would be much clearer after a frank exchange of views between the two Governments.

His Highness then asked Sir Austen Chamberlain for His Majesty's Government's views on the Asir question.

Syria.

This question owing to a misunderstanding was taken as applying to Syria and Sir Austen Chamberlain explained to the Emir that it was a very common practice of a discontented minority in any country to seek assistance from persons and powers outside their own country, more especially if they were in any way united by racial or religious ties.

Sir Austen, continuing, stated that if he had said that Great Britain and Italy were on most cordial terms of friendship this applied more so to France, whose interest His Majesty's Government considered second only to their own,⁴ and consequently His Majesty the Emir's father would be well advised to move with the greatest caution and circumspection in the matter of the Syria troubles. As His Highness was passing through Paris on his way home Sir Austen Chamberlain advised His Highness to discuss this question with the French authorities.

His Highness stated that his father had received many appeals from Syria for assistance, and he was anxious to use his influence to bring about peace in Syria and to that end was prepared to act as mediator between the French and the Druse.

Sir Austen replied that that was a question which His Highness had better discuss with the French Authorities in Paris and pointed out that for the Hedjaz as for Great Britain a protracted period of peace was necessary to allow the country and people to recover from the ravages of war and [? he] advised His Highness to make that the aim and desire of his father's Government.

³ See Nos. 235 and 255.

⁴ In this connexion Foreign Office despatch No. 108 to Damascus of November 1 informed H.M. Consul, Mr. Hole, that 'it is the cardinal aim of His Majesty's Government in so far as may be possible to collaborate, in a spirit of sympathy and friendship, with the French Government in every sphere in which the interests of the one may, in any way, be affected by the interests of the other. To this end it is vitally necessary that every effort should be directed by British Consular Officers, situated as yourself, not merely to maintain a negative attitude of aloofness, but, by evincing a sympathetic understanding of the difficulties with which the French authorities may be confronted, to gain their confidence and so eliminate any suspicions, however unfounded, they may at present harbour in regard to the actions and motives of British officials in the Near East.'

Asir.

Referring to the Asir (Idrissi country) Sir Austen Chamberlain stated that His Britannic Majesty's Government had been in treaty relations with the Idrissi for many years and consequently had certain obligations towards that country.⁵

His Highness requested to be informed what action His Majesty's Government would take in case the Imam of Yemen advanced into the Idrissi country.

Sir Austen stated that he could not give a specific answer to a hypothetical question but that such an action on the part of the Imam of Yemen would be very serious indeed and a matter to which His Majesty's Government would give their closest attention should such necessity arise.

Treaty revision.

The question of His Majesty's Government sending a representative to the Hedjaz to discuss outstanding questions and the revision of the treaty in existence at present⁶ was then raised.

Sir Austen Chamberlain stated that he was very happy that an exchange of views should take place, and informed His Highness that His Majesty's Government had selected Mr. S. R. Jordan as their representative, in whom His Majesty and His Majesty's Government had full confidence.

His Highness thanked Sir Austen Chamberlain and informed him that he was very happy that his great friend Mr. Jordan had been appointed and he was sure that the appointment would be acceptable to his father, who was anxious to visit Medina but who was delaying his departure until after the treaty revision.

His Highness then asked if Sir Austen Chamberlain could inform him approximately as to what date His Majesty's Government would be ready to proceed with negotiations.

Sir Austen Chamberlain replied that it was hoped that Mr. Jordan would carry his instructions with him when he returned to Jeddah with His Highness in the first days of November, but that if for any reason they were not ready by then they would be forwarded very shortly afterwards.⁷

Usual courtesies, and His Highness and Abdulla Bey Damludji left.

⁵ For the treaties concluded between Great Britain and the Idrissi of Asir in 1915 and 1917 see C. U. Aitchison, *A Collection of Treaties, Engagements and Sanads relating to India and Neighbouring Countries* (5th ed., Calcutta, 1931), vol. xi, pp. 177-9. See also Volume I, Appendix, paragraph 78.

⁶ This treaty of December 26, 1915, between H.M. Government and Ibn Saud as Ruler of Nejd is printed in C. U. Aitchison, *op. cit.*, vol. xi, pp. 206-8.

⁷ Mr. Jordan and Mr. G. Antonius of the Government of Palestine conducted negotiations with King Ibn Saud for a treaty of friendship and good understanding in November-December 1926. No agreement was reached at that time. Attached to Mr. Jordan's instructions of November 3 was a draft treaty which corresponded generally to the Treaty of Jeddah of May 20, 1927 (see *British and Foreign State Papers*, vol. 134, pp. 273-5), except that (a) there was no draft article corresponding to article 1 of the Treaty of Jeddah; (b) the draft included provisions whereby King Ibn Saud recognized (i) the special British position in Iraq, Transjordan and Palestine, and (ii) the right of manumission of H.M. consular officials.

*Sir A. Chamberlain to Mr. Hoare (Constantinople)**No. 860 [E 5856/226/44]*FOREIGN OFFICE, *October 15, 1926*

Sir,

The Turkish Ambassador has just been with me. As I expected, he had sought the interview in order to gather information as to what part Turkey had played in the conversation which I held with Signor Mussolini at Leghorn.¹ He observed that certain papers, to whose opinions he did not attach too much importance, had suggested that Italy had made overtures to other powers on the subject of her ambitions in Asia Minor, and he enquired whether I had any confirmation of these rumours or whether I could indicate to him what had been Signor Mussolini's attitude towards Turkey. I informed him that in the course of my long conversation with Signor Mussolini there had been only the briefest reference to his country. Signor Mussolini had observed that the policy of Turkey was obscure, and that he was unable to form a clear opinion as to its objectives. I had replied that I also could form no very clear impression of its tendencies. This was practically all that had passed between us on the subject.

The Ambassador said that he was not surprised that Signor Mussolini should think Turkish policy obscure, for the intentions of Italy towards Turkey were themselves doubtful and Turkish policy towards Italy could not but be influenced by this fact, but he was surprised and pained that I should feel any doubt about his Government's intentions.

I said that I would explain my meaning to him more fully. If for this purpose I recalled the history of the past few years, it was not now to criticise or blame the Turkish attitude but merely to paint the historic background of my present feelings. In the years following the armistice the Turkish Government had withdrawn into Asia. It had not ratified the treaty signed at Sèvres,² and even when a new and much more favourable treaty was signed at Lausanne,² Turkey had still maintained her isolation. I must confess that I had never understood her attitude in the Mosul dispute, and particularly her attitude towards the League of Nations. The effect had been to exaggerate her isolation, so that we had as it were Turkey on the one hand and all Europe, united in the League of Nations, on the other. Finally, this outstanding question of Mosul had been settled by friendly negotiations, but still Turkey maintained her isolation, and by her treatment of foreign institutions established in Turkey seemed only to have transferred the struggle to another field. I could understand the desire of the Turkish Government that Turkey should not remain as completely dependent on foreigners for many of her essential services as she had previously been. I could understand the desire of the government to encourage and promote

¹ See Nos. 235 and 255.

² These peace treaties, signed on August 10, 1920, and July 24, 1923, are printed in *British and Foreign State Papers*, vol. 113, pp. 652-776, and vol. 117, pp. 543-91, respectively.

Turkish commerce, industry and finance. This was a natural ambition for a patriotic government, but in the policy actually pursued patriotism seemed to have turned to xenophobia, and though Turkey was at peace with us all her policy in these matters placed great obstacles in the way of any really cordial relations.

You will observe that I had not mentioned Soviet Russia although it was precisely the character and extent of Turkey's relations with the Soviet Government which Signor Mussolini found obscure. The Ambassador was almost equally guarded in his reply, but he evidently suspected that I had more in mind than I chose to express. He admitted to some extent my criticisms whilst offering the best excuses that he could for the conduct of his Government; he assured me that the policy of Turkey was without *arrière-pensée*, that the acts of which I complained must not be taken as justifying any suspicion of her good faith, but he added that Turkey was a small and weak nation, that she could not forget that she had an inconvenient and restless neighbour, that she must have some *point d'appui* and, though it was only with Great Britain that she would care to seek an alliance, she could not remain without support from any side.³

His Excellency had once before said something of the same kind to me. I repeated that, as I had then told him, it was not within the bounds of practical politics that Great Britain should take any fresh engagements. We had gone to the utmost limit that public opinion would tolerate when we signed the Treaty of Locarno, and indeed British opinion had only been reconciled to that treaty because of the greatness of the interest which it served, which was nothing less than the peace of the world. But though we could take no further engagements of a like nature, we were members of the League of Nations and we had signed the Covenant. That was the protection which the weaker European powers enjoyed. I offered no counsel to the Turkish Government, but I knew what I should do if I were there in their place. I should join the League; I should undertake the obligations of the Covenant and receive in return the protection which it gives. Returning to the subject of the treatment of foreigners, I observed that what the Ambassador had said of the desire of Turkey for good relations with ourselves and others only strengthened my argument. The friction which their treatment of foreigners created interfered with the good relations which it would seem it was their desire to cultivate and was an obstacle to their policy as declared

³ In this connexion Mr. Hoare reported in Constantinople despatch No. 551 of October 18 that the German Ambassador, who had recently visited Angora, had informed him that he did not believe that the current Soviet-Turkish negotiations were making progress. 'Herr Nadolny's general impression is that under the surface of great cordiality the Turks are as suspicious of the Russians as of any one else.'

Mr. Hoare further reported in Constantinople despatch No. 552 of the same date that his Italian colleague had informed him of remarks made by Tewfik Rushdi Bey which suggested the possibility that 'resentment against the [Anglo-Turkish] Treaty is evaporating as Sir R. Lindsay hoped it would. The statement is perhaps of no great importance but Herr Nadolny did tell me that he never hears a word against Great Britain nowadays at Angora.'

to me by him. I hoped that the Turkish Government would reconsider this matter and that they would see that it was to their interest, and indeed necessary to their peaceful policy, that they should faithfully execute the engagements they had undertaken by the Treaty of Lausanne and should cease to harry the foreigner within their gates. I had indeed on many occasions had to consider for myself or been asked to consider by others whether I should not make or join in representations to the Turkish Government on the subject. I had refrained as far as possible, but it had been necessary for Sir Ronald Lindsay more than once to call the attention of the Turkish Government to particular cases. I hoped that the Turkish Government would feel the necessity for adopting a more civilised and considerate policy in future.

Leaving this subject, his Excellency recurred to Italy. Was it true, he asked, that Italy had signed a treaty with the Yemen, and what view did I take of it? I replied that Signor Mussolini had communicated this treaty to us, that it appeared to be a treaty of amity and commerce, and I was in communication with Signor Mussolini on the subject as we had very considerable interests in that part of the world, but the treaty itself gave me no anxiety, and the question would not, I felt sure, give rise to any difficulties between the British and Italian Governments.

Finally, the Ambassador asked whether, if the Italian Government did ever approach the British Government with a proposal directed against Turkey, the British Government would refuse to entertain it. I told his Excellency that this was a question which he ought not to have put to me, and to which I could not reply, for it assumed that Italy, without provocation or legitimate grievance, would suddenly attack another State with which it was in peaceful relations. I could not answer a hypothetical question based upon such an assumption. His Excellency smiled broadly and declared that my reply satisfied him.

He added that in reporting what I had said to his government he would separate my comments on Turkish policy from that part which related to the attitude of Signor Mussolini and the Italian Government, so that there should be no confusion between that which was said by me and that which was said by Signor Mussolini, and that the representations which I had asked him to make might not be prejudiced by being connected with a totally different matter.

I am, &c.,

AUSTEN CHAMBERLAIN

No. 452

Memorandum by Mr. Oliphant

[E 6223/1293/34]

FOREIGN OFFICE, *October 21, 1926*

I have been thinking over the question of the American Advisers in Persia in the light of Mr. Nicolson's despatch No. 449 and the telegram which,

with Treasury concurrence, has been despatched to him in reply.¹ It appears very evident that the American Financial Mission and even, in this case, the American Minister are somewhat in opposition to us.

The present position in Persia appears to me to be getting into a decidedly unsatisfactory state. This is certainly not due to any action by our Legation, but to the force of circumstances and the inability of Persia to hold her own *vis-à-vis* of the Soviet. There are three factors to be taken into consideration when reviewing the situation:—

- (a) the political position;
- (b) our interests;
- (c) the American Mission.

As regards (a), it may be assumed from the omens that the Shah will have a difficult time *vis-à-vis* of the Mejlis in the near future: it may even go so badly with him that his reign may be of not long duration. Were he to disappear, some of the old so-called statesmen might come to the top again in politics, but the position of foreigners would not be improved and the Mejlis would, I fear, be as intractable as at present.

In that eventuality, it is doubtful whether any good would accrue to (b), our interests, as either chaos or a hostile atmosphere would inevitably postpone the settlement of our questions, e.g. outstanding debt, affairs of the Sheikh [of Mohammerah] and ex-Valiahd, customs tariff,² etc.

(c) The American Mission. Success appears the one thing which might stand us in good stead and form in some measure a bulwark against a hostile tide; but to attain this end, our relations with the American Mission require a good deal of improvement. Dr. Millspaugh's contract has not much longer to run, but I think that His Majesty's Government should be as willing

¹ Not printed. The gist of this despatch, and of Foreign Office telegram No. 138 to Tehran of October 18 in reply, is indicated in the enclosure in No. 467. In his despatch Mr. Nicolson further stated that in his endeavours to counter the propaganda directed against His Majesty's Government he had frequently been perplexed by the persistence of the belief that they were determined to prevent the political and economic regeneration of Persia. Even after discounting the tendency of Persian nationalists to attribute to British hostility and intrigues a failure which they naturally hesitated to ascribe to internal weaknesses, there remained a residue of bitterness which could not be explained by such unconscious complexes. Mr. Nicolson considered that the prejudices of the leading Persian nationalists were too deep to be easily removed and he therefore confined his efforts to removing some of the misconceptions which they instilled into American residents in Persia.

² (i) His Majesty's Government had reduced Persia's debt to Great Britain from over £4½ million to £2 million, but no arrangement for servicing the reduced debt had been submitted to the Majlis by the Persian Government. (ii) For the Sheikh of Mohammerah see Volume I, appendix, paragraph 87. On December 16 Mr. Clive reported in Tehran despatch No. 603 that he had spoken to Dr. Millspaugh regarding the Sheikh's right to lands and property which he had bought and developed and of which he had been dispossessed. (iii) Representations had been made by H.M. Legation on behalf of the ex-Valiahd (Crown Prince), brother of the former Sultan Ahmed Shah, who had acted as Regent before the change of dynasty, and was in a state of penury. (iv) A differential tariff which applied to Persia's northern frontier benefited Soviet and correspondingly handicapped British trade.

for the Mission to continue its labours as they were anxious for the Mission to proceed to Persia. Lord Curzon's wish for the success of the Mission was brought out with considerable force in the correspondence with Washington at the time.³ It is, however, for consideration whether it would not be desirable to emphasize the good wishes of His Majesty's Government yet once more at Washington. If my view be correct, I cannot help feeling that while His Majesty's Ambassador in Washington might be able to explain matters in a measure to the State Department, it would be easier were someone with first-hand local experience to be our mouthpiece.

At the present time we have in this country, and free of official duties, Sir P. Loraine, whose knowledge of the situation in Tehran may be described as unique and whose personal relations with Dr. Millspaugh, etc., were of the best. I submit, therefore, for consideration the possible desirability of his going over to Washington for a week or two to talk with complete frankness and knowledge to the State Department. I raise the matter now not only because Sir P. Loraine is at present free and at hand, but also because the crash has not yet come and such representations as he might be instructed to make would appear more disinterested than were we to wait for a crash and then expose ourselves perhaps to an appearance of looking round for help to get us out of a difficulty.⁴

L. OLIPHANT

³ Lord Curzon had been Secretary of State for Foreign Affairs, 1919-24. The present reference was evidently to correspondence of 1922: see *Papers relating to the Foreign Relations of the United States 1927*, vol. iii, pp. 523-5, for communications made to the State Department in 1922 on Lord Curzon's instructions.

⁴ This suggestion was not adopted. For the action taken see No. 467.

No. 453

Mr. Hoare (Constantinople) to Sir A. Chamberlain (Received November 22)
No. 605 [E 6437/59/44]

CONSTANTINOPLE, November 14, 1926

Sir,

With reference to my despatch No. 531¹ of the 6th October, I have the honour to transmit herewith a report² drawn up by Mr. Leeper on a fortnight's tour which he recently made to Mersina, Smyrna and Rhodes with Mr. Helm and Mr. Buchan-Hepburn.³

2. Before starting on their journey they had been at some pains to work out the principal points on which they would endeavour to obtain information with the result that the report adds materially to our knowledge of local conditions generally and of Italian activities.

¹ Not printed. This despatch referred to No. 207 and discussed rumours regarding a possible Italian invasion of Turkey. Mr. Hoare considered that the more alarmist rumours were without substance but that 'Turkish fears of the Italians are sufficiently deep-seated to be treated seriously'.

² Not printed.

³ Mr. Leeper was First Secretary, Mr. Helm a Third Secretary, and Mr. Buchan-Hepburn an Honorary Attaché to H.M. Embassy at Constantinople.

3. As regards the latter, the conclusion which may be reached is that were it not for the deliberate manner in which the Turks have chosen to apply to themselves some of Signor Mussolini's more flamboyant utterances, there is no basis whatsoever for Turkish suspicions. The Italians are doing nothing whether in Cilicia or Rhodes which goes beyond a legitimate effort to develop their economic interests. It may be said that this report strengthens my conviction that the intense suspicion of the foreigner and especially of the Italian is due to a sense of inferiority and to an uneasy realization of the vastness of the empty spaces in Anatolia.

4. We have at present less evidence that the same suspicion governs Turco-Russian relations, but the failure to bring the commercial negotiations to a conclusion indicates that all is not well, and Tewfik Rushdi's melodramatic journey to meet M. Chicherin at Odessa,⁴ which is regarded by responsible Turks as an 'antic' is not an indication that any close political understanding exists or is about to come into being.

5. Tewfik Rushdi's language and demeanour when Sir G. Clerk is at Angora for the presentation of his Letters may throw more light on the intentions of the Turkish Government.⁵

I have, &c.,

R. H. HOARE

⁴ For the communiqué of November 14 regarding this meeting, see *Dokumenty Vneshney Politiki S.S.S.R.*, vol. ix, No. 324 (English translation in Jane Degras, *op. cit.*, vol. ii, pp. 141-2).

⁵ Sir A. Chamberlain stated in a minute of November 25:

'My impressions (not a prophecy)—

'I think Mussolini wants in his wiser moments 10 years peace for Italy before thinking seriously of any adventures, but he must have the problem of an outlet for Italy's surplus population always in his mind. He believes in the future of Tripoli but as a distant future. Turkey offers a far easier field of development, & his thoughts must constantly turn to Anatolia & it would seem Cilicia. As between France (Syria) & Turkey he is bound to choose Turkey for his foe. I don't believe that Mussolini desires to precipitate a conflict—but if I were at Angora, I should sleep with one eye open!

'I believe it to be in the general interest that Italy should find an opening in Asia Minor, but how? I cannot see the solution as yet.

'A. C. 25.11.'

No. 454

Mr. Clive¹ (Tehran) to Sir A. Chamberlain (Received November 17, 2.30 p.m.)

No. 235 Telegraphic [E 6391/92/34]

TEHRAN, November 17, 1926, 9.30 a.m.

In course of private audience yesterday Shah solemnly assured me that he was more than ever determined to maintain most friendly relations with Great Britain. He stood by everything he had said in the final audience with Sir P. Loraine² and he begged me always to speak to him with same frank-

¹ Mr. Clive had assumed his duties as H.M. Minister at Tehran on November 5.

² In a lengthy memorandum (copy sent to Foreign Office in Tehran despatch No. 312 of July 3) regarding this audience of June 27 Sir P. Loraine had recorded in particular:

ness as my predecessor. I gave His Majesty personal message from The King that our policy was solely guided by wish for a strong and independent Persia. His Majesty was much gratified. He admitted that disturbances which broke out this summer had momentarily shaken his confidence. I said that recent events in Kurdistan and the capture of Salar-ed-Dowleh³ should have completely reassured him. His Majesty agreed and said he had now definitely settled to recognise Iraq. He would instruct the Prime Minister to discuss details of recognition with me. His Majesty further expressed hope that recent visit of high Persian official to Russia had not been misunderstood.⁴ I said that His Majesty's Government fully realised the necessity for Persia to come to terms with all her neighbours provided that any agreement made did not conflict with our established interests.⁵

Addressed to Foreign Office No. 235, repeated to Bagdad No. 123.

'The basic thing in the foreign policy of the Persia of today, His Majesty went on to say, was to free herself from the danger threatening her from the North and to make herself stronger to resist any pressure which might come from that quarter. Secondly, Persia wished to live on the friendliest possible terms with Great Britain and hoped to draw British sympathy to herself and to be able, should danger threaten imminently from the North, to count on British encouragement if not actually on British help to save herself. The Shah went on to say that when he made the *coup d'état* of 1921 he did it in order to save his country from Russia. . . . Whether Russia was Bolshevik or not did not so very much matter; he thought it most unlikely, in fact practically impossible, that Persia should become Bolshevik, but Persia would always be threatened by Russia. My question had led him to believe that in my opinion there had been practically no change in the position as regards Persia and Great Britain and he asked me to compare the situation of today with that which I found on my arrival in Tehran in 1921. Although he himself had desired this change he was surprised at its extent; today by far the larger portion of Persia's sympathies were with England and the idea of a *rapprochement* with England was becoming more and more pronounced. Nevertheless the Persian Government had to be extremely careful for they were constantly being reproached with their subservience to England and twitted with their inability to escape from the toils of British diplomacy, with the result that Russia did nothing except create difficulties for them and throw obstacles in their path with which they were not yet strong enough to cope. He therefore wanted the growing sympathy for England in Persia to continue gathering its own momentum so that instead of being a tacit majority opinion it should become automatically an axiom of Persia's policy; he still felt however that any attempt from high quarters in Persia deliberately to direct the policy into that channel would defeat its own object by raising Russian opposition in a dangerous form.'

³ See No. 447, note 7.

⁴ In July 1926 Prince Teymouratche, Persian Minister of Court, had left Tehran on a personal and secret mission from the Shah to Moscow and Angora. He was also charged by the Persian Cabinet to negotiate with the Soviet Government a commercial treaty and a settlement of the Caspian Fisheries dispute (see Volume I, Nos. 559, 563, and 571). Sir R. Hodgson reported in particular in Moscow despatch No. 772 of October 22 that Prince Teymouratche's mission was stated by the Persian Ambassador at Moscow to have been 'purely commercial' but that M. Rothstein, Head of the Press Department of the Soviet Commissariat for Foreign Affairs, had 'admitted recently to a journalist that the question of a non-aggression treaty with Persia had been the subject of discussion'.

⁵ Sir A. Chamberlain stated in reply in Foreign Office telegram No. 149 to Tehran of November 19: 'I approve your language. Time will show whether the Shah intends to convert his words into deeds.'

No. 455

Sir G. Clerk (Angora) to Sir A. Chamberlain (Received November 25, 9 a.m.)
Unnumbered Telegraphic [E 6537/226/44]

ANGORA, November 24, 1926, 3.20 p.m.

Everything connected with presentation of credentials has passed off satisfactorily and I am told that Turkish cordiality on this occasion has been very marked. They have certainly been surprisingly helpful and energetic in making arrangements for journey and in hustling through reception and official dinner without any waste of time.

Visit of High Commissioner of Bagdad¹ was undoubtedly much appreciated and President of the Republic kept him talking for two hours, an unprecedented event.

Both Minister for Foreign Affairs and President laid much stress on their desire for friendship with Great Britain. Minister for Foreign Affairs explained Odessa visit² as one of courteous reaffirmation of friendship and general survey of mutual points of interest but emphatically not aimed at other powers nor creation of new agreements. General view here seems to be that purpose was to show the west, especially Italy, that Turkey has its friends too and I think possibly there was also desire to hearten Turkish public opinion and to explain to Russia Turkish policy in regard to League of Nations.

¹ Sir H. Dobbs, H.M. High Commissioner for Iraq, visited Turkey on his way back to Iraq, and was received by Mustapha Kemal Pasha, President of Turkey, on November 21.

² Cf. No. 453, note 4.

No. 456

Sir A. Chamberlain to Sir G. Clerk (Constantinople)
No. 966 [E 6564/226/44]

FOREIGN OFFICE, November 26, 1926

Sir,

The Turkish Ambassador called this morning to bid me farewell before proceeding on leave to Angora.

His Excellency suggested that there might perhaps be some matters which I should wish him to bring specially to the notice of his Government. I accordingly recalled our last conversation and the reference I had then made to the treatment of foreign institutions and foreign commercial houses in Turkey.¹ I said that I would not enter into details of any particular case with the Ambassador as Your Excellency was fully instructed upon the subject and I had asked you when a suitable opportunity offered to bring them to the attention of the Turkish Government, but I should be glad if the Ambassador would himself draw the attention of the Turkish Government

¹ See No. 451.

to the difficulties which were created for British institutions and trade, largely, I suspected by the action of inferior officials and without the knowledge of the President of the Republic or of the Government, but which nevertheless created a disagreeable impression here and were an obstacle to the cordial relations which His Majesty's Government desired to see established between our two countries. If his Excellency would be good enough to draw the special attention of the President of the Council and the President of the Republic to my friendly observations, they would perhaps invite you to explain in greater detail the kind of case to which I was referring. I again repeated that I could understand and sympathise with the desire of the Republic to develop Turkish enterprise and to see Turkish nationals taking their share in the banking and commercial life of Turkey, but the policy of harassing foreign interests already established there, whilst irritating to the Powers concerned, contributed nothing to such a development and was as injurious to Turkey as to the foreign interests directly concerned.

The Ambassador in reply said that he had already telegraphed my observations to his Government and he abounded in the sense in which I had spoken. He then in a manner which is now familiar to me said that he would put me a question to which he did not expect an answer. Turkish policy had to take account of two possible dangers, the one nearer, the other more remote. The nearer danger lay in the possible developments of Italian policy: the more remote danger came from the side of Soviet Russia. The Ambassador then returned in a discourse of considerable length and no less complexity to the question of Great Britain's attitude towards Turkey. He had understood my suggestion that, if Turkey felt the need of guarantees, she should obtain the protection of the Covenant by joining the League of Nations, but he argued in much detail that the Covenant was not precise or particular in stating in what circumstances assistance would be rendered or what the character or amount of the assistance would be; he propounded the possibility that in case of a quarrel Turkey might find that the guarantees set out in the Covenant were in fact ineffective because some minor Power which happened to hold a seat on the Council at the moment when a dispute arose was induced or suborned to give a partial vote in favour of Turkey's opponent, thus destroying the unanimity without which there could be no decision of the Council. The value of the Covenant to a country in the position of Turkey depended, therefore, upon the degree to which she could count upon the support of some highly influential member of the Council, which member, he added, in the case of Turkey could be only Great Britain. Having thus reached the point at which from the beginning of his discourse he was obviously aiming, his Excellency ceased speaking and looked expectantly at me.

I replied that he had put me a question and though he had not asked me for an answer I was quite prepared to reply. I admitted that the covenanted obligations had the character which he ascribed to them. I said that this was in my opinion inevitable since the League was not a super-State but an association of sovereign States. Nevertheless, Great Britain had thought it

worth while to enter the League and to take the Council as arbitrator in cases of vital importance to us. There was no logical answer to the doubts and hesitations which he had expressed, but personally I doubted whether in fact they were very likely to occur or whether they would present the difficulties which he foresaw. The mere procedure of the League, the obligation not to resort to war against a fellow-member of the League until processes of conciliation had been exhausted and the delay which was imposed by the Covenant were themselves, if not an absolute guarantee against aggressive war, yet a valuable protection against it, and though it was conceivable that some small Power might in a crisis act in the way which he had suggested and technically prevent a decision being taken, the moral judgment of the world would still be made plain and must in my opinion exercise an immense restraint on any Power. Certainly speaking as the representative of Great Britain, it would afford me little comfort to know that in such a contingency as he had contemplated we might technically avoid a decision against us by purchasing or suborning the vote of some insignificant State. In any case we had faced this risk when we signed the Treaty of Locarno.

I then turned to his suggestion that as an inducement to Turkey to enter the League and as security for the protection which the League would afford her, Great Britain should give her some assurance that in case of need our support would be forthcoming on the Council. This, I said, was a suggestion to which I could make the one answer from whatever quarter it came. We desired to cultivate cordial relations with Turkey. I would not conceal from him that our relations with Italy were excellent and that we desired to keep them so, but whether it were Turkey or Italy or France (with whom we stood by reason of our alliance during the War and of our engagements in the Treaty of Locarno in the closest relations of all) I should always refuse and I believed every British Government would refuse to give an assurance in advance as to the attitude which their representative on the Council would assume towards any particular case which at some future time might come before that body. No doubt the Council exercised high political functions, but in such cases as he contemplated they must be exercised in a judicial spirit. The decision must be taken upon the facts of the particular case, and His Majesty's Government would never so pledge themselves in advance as to preclude them from discharging their duties in a spirit of high impartiality guided only by their desire to maintain peace and to see justice done.

The Ambassador professed to feel great satisfaction at my reply. If this was his real feeling, it could only be because he correctly inferred that we were under no obligation to any other country to support it regardless of the circumstances or the facts of the case, but what he had in fact indicated as the Turkish *desideratum* was that we should come under such an obligation to Turkey. This, as I said to him, no British Government would do, and I repeated to him quite definitely *à propos* of an interjection by him when I mentioned Locarno that we were not prepared to extend the obligations which

we had undertaken in respect of the frontier between Germany on the one side and France and Belgium on the other to any other frontier within or without Europe, and to illustrate this statement I observed that, for instance, we would not make such a treaty in regard to the frontiers of Austria, which was another indirect way of conveying to him that we had no treaty obligations with Italy which bound us to support the Italian cause irrespective of its merits or of its effect upon the general peace of the world.

I am, &c.,

AUSTEN CHAMBERLAIN

No. 457

Sir A. Chamberlain to Mr. Jordan (Medina)

No. 2 Telegraphic [E 6429/1426/91]

FOREIGN OFFICE, *November 27, 1926, 6 p.m.*

High Commissioner at Cairo reports that Soviet agency at Jeddah is active centre for dissemination of anti-British propaganda in Egypt and Sudan. Communication with Egypt is effected through *employés* on Khedivial mail steamers between Jeddah and Suez. He urges therefore that efforts be made to persuade Ibn Saud to sever diplomatic relations with Soviet Russia.

I am unable to approve such action but you may inform Ibn Saud very confidentially of what the Soviet agency are doing and add that, if he should find it possible to curb their activities, His Majesty's Government would appreciate it.¹

Addressed to Medina, repeated to Cairo, No. 351.

¹ No reply to this telegram has been traced in Foreign Office archives.

No. 458

Sir A. Chamberlain to Mr. Clive (Tehran)

No. 537 [E 5994/92/34]

FOREIGN OFFICE, *November 29, 1926*

Sir,

I have received and carefully considered Mr. Nicolson's despatch No. 486¹ of the 30th September. I appreciate the industry shown by him in preparing his analysis both of the problems confronting British policy in Persia and of the tendencies inherent in the present situation as it has appeared to him during the period of his charge of His Majesty's Legation, but I do not think that any useful purpose would be served by submitting to a meticulous examination the points raised by Mr. Nicolson. Such treatment might well defeat the object of clarifying ideas which he evidently had in view.

¹ No. 447.

2. The clearest impression which I have derived from a perusal of his despatch, and especially from the phrase in paragraph 3 (4)—‘It is the prevailing uncertainty on such points’ (buffer state: defence of India: post-war objectives in the Persian Gulf: maintenance of our political prestige) ‘which renders the execution of British policy in Persia so empirical and at times so disheartening’—is that there are doubts and obscurities in Mr. Nicolson’s mind in regard to the purpose and principles which guide the policy of His Majesty’s Government in regard to Persia. Herein undoubtedly lies the crux of Mr. Nicolson’s perplexities, and it is to this point, therefore, that I shall address myself in order to give you clear guidance in your mission.

3. Before doing so, however, I must state my conviction of the desirability of leaving to His Majesty’s representative at Tehran, in consultation with the Secretary of State, a full measure of latitude in determining the methods by which in varying circumstances the principles of policy can most usefully and effectively be applied. The situation in Persia is liable to constant fluctuations, and circumstances frequently arise, usually owing to local rather than general causes, of a complex and discouraging character. In such cases I am glad to rely on the appreciation of the local situation formed by His Majesty’s Minister, and I shall always endeavour to support the line of action recommended by him if it is compatible with the observance of the general principles of our policy. When such situations do arise, His Majesty’s representative will, of course, bear in mind these principles, and will adjust his course of action to the limits necessarily imposed by them. Past experience has shown conclusively that it is not possible to foresee and provide for all contingencies in a country like Persia, where centuries of inefficient Government have engendered a position of instability both internal and external. I do not therefore desire to fetter you with detailed instructions in regard to the handling of eventualities which are wont both to arise and to develop in an unexpected manner. I realise, however, that a representative cannot satisfactorily translate into action the wishes of His Majesty’s Government unless he clearly appreciates the principles underlying and guiding their policy.

4. The primary objects of His Majesty’s Government in their relations with Persia are (1) the defence of legitimate British interests and the protection of the lives and properties of British subjects; (2) the safety and integrity of His Majesty’s Dominions, especially those of the Indian Empire; and (3) the maintenance of the treaties in force. It is obvious that the existence of a stable, orderly, progressive and friendly Persia is an important factor in the furtherance of these ends. His Majesty’s Government are convinced that a policy of good relations with Persia is the one best calculated to serve these purposes. They have recognised and do recognise the independent and sovereign status of Persia, and are therefore unable, as they are unwilling, to intervene actively or directly in the course of events in Persia or in shaping the institutions or policy of that country. This fact, however, does not debar them from doing what they can, through His Majesty’s Legation, to stimulate and encourage such elements in Persia as may be sincerely striving for the

welfare of the country and its better government. They are sensible that the extent of their friendly feelings and the value of their loyal attitude have not yet been fully appreciated by the Persian Government or people. While this is inevitably a matter for regret, His Majesty's Government are not disheartened thereby. They recognise that the events of the world war, through no responsibility of theirs, bore hardly on Persia, and that far-reaching changes in two at least of the States which have a common frontier with Persia have produced further disturbances in a situation already complicated; they are therefore not astonished, however much they may regret it, at finding even among responsible Persians a distorted view of the position, but they trust and believe that their own loyalty of attitude and desire for good and friendly relations will in the end not only become abundantly clear but also help the Persians towards a truer perception of their own position.

5. Were Persia to fall, whether physically or morally, under the domination of a foreign and possibly hostile Power, the purposes which His Majesty's Government have in view would be threatened with defeat, and should such domination appear imminent it might cause them to adopt a more active policy. They do not, however, seek for themselves any such dominant position, nor do they wish to assume the responsibility for administering one single square mile of Persian territory, and they are convinced that the best way to avoid these pitfalls lies in adhering firmly to the policy of good and friendly relations indicated above. Though, as I have already said, this policy has not yet given fully the results which might not unreasonably have been anticipated of it, I am convinced of its essential soundness and the desirability of adhering to it so long as possible. It is for this reason that my predecessors and I have not opposed the policy of centralisation initiated and followed by Reza Shah; that His Majesty's Government did not raise objection to the direct control of Arabistan by the Central Government; that they withdrew from the ports on the Persian Gulf their troops,² whose presence was not only regarded by the Persians as a reflection on Persia's complete sovereignty, but had also become an unjustifiable burden on imperial resources in view of the improvement in order and security brought about by the creation of a Persian national army. For the same reason His Majesty's Government agreed to a compromise on the basis of a most generous reduction of their monetary claims against the Persian Government.

6. I realise that there are certain anomalies in our present position in Persia, the existence of which renders the task of His Majesty's representative at Tehran at times difficult. These are special subjects which it is not necessary to discuss here and the solution of which must be a matter of time. I am,

² Sir P. Loraine had reported in Tehran despatch No. 98 of February 20, 1926, that he had notified the Persian Government of H.M. Government's willingness to effect this withdrawal whereby there would 'then remain no trace of the British detachments which at various times since 1820, and continuously since 1911, have been located in the Gulf ports', and that this decision had been welcomed by the Persian Government. The troops had been withdrawn in March 1926.

however, not aware that there has been any case of this kind where His Majesty's Government have declined, or have, as implied by Mr. Nicolson, only grudgingly agreed, to consider in a friendly and conciliatory spirit a reasoned statement of complaint or supposed grievance on the part of the Persian Government. On the other hand, it should not be forgotten that there are several matters, such as the regulation of the Persian debt, the differential customs tariff, the settlement of the affairs of the Sheikh of Mohammerah, &c., to which His Majesty's Government have as yet been unable to secure a satisfactory termination, although these matters have been treated with great forbearance over a long period. The settlement of these questions would unquestionably render it easier for His Majesty's Government to clear up any other matters which in the opinion of the Persian Government may be retarding the still closer and more friendly relations which they are understood to desire to see prevail between the two countries.

7. His Majesty's Government have no desire, as Mr. Nicolson rightly supposes, to stand in the way of a mutually satisfactory settlement of outstanding questions between Persia and her geographical neighbours; though they would deplore a settlement which involved any surrender by Persia of her complete independence. They would also view with disfavour any agreement which was aimed against British interests, and they particularly wish to avoid a renewal of the former position, when Persia was the cockpit of overt Anglo-Russian rivalry. The more the Persian Government are able to strengthen themselves with British sympathy and the moral support of better government, the less is that position likely to recur.

8. His Majesty's Government would welcome any sound plans for improving the economic situation of Persia, especially if such measures tended to free the northern provinces from the economic servitude to Russia which Mr. Nicolson so gravely apprehends. The development of a rapid and regular source of communication and the construction of railways would, in my opinion, be an indispensable first step towards the improvement of the Persian economic situation and, unless designed with obvious prejudicial intent towards British interests, would meet with the approval of His Majesty's Government. Should Persia desire to secure aid from this country in the execution of such projects, an approach by her in that respect would receive the most friendly consideration here. I should indeed be glad to receive an authoritative statement of what the Persian Government regard as being their country's main requirements in this respect.

9. As regards the Persian Gulf, His Majesty's Government consider that they do in fact possess special interests in those regions. British blood and treasure have for more than a century been spent in suppressing piracy and the slave trade in its waters; in combatting the pernicious traffic in arms; in the lighting, buoying and sanitary defence of the Gulf. His Majesty's Government do not, however, claim any exclusive interest, nor do they demand any exclusive rights in the Gulf, but they do not intend to relinquish their activities in the above-mentioned matters, and in view of their special relations with the Trucial chiefs of the Arabian coast, their present position

in Iraq, the close neighbourhood of the Indian Empire and the vast British interests involved in Khuzistan and the oil-fields, they could only view with grave concern and disapproval any attempt by a foreign and non-riparian Power to challenge or undermine their special position in that area. It should indeed be obvious that the creation, for example, by a foreign and possibly inimical Power of a naval base on the shores of the Persian Gulf would be a threat to the safety of sea communications with India that His Majesty's Government could not in any conceivable circumstances ignore.

10. I hope that what I have said will be sufficient to make clear to you the objects which His Majesty's Government have in view and the method by which in my view these objects may be best secured. You will, further, bear in mind the assurances given by Reza Shah to Sir P. Loraine at his farewell audience to the effect that the Shah was bent on acting loyally in co-operation with His Majesty's Legation. Should the Shah at any time show signs of weakening in this resolution, you will of course, on your own initiative, remind him of this engagement, which he reiterated to you recently, as reported in your telegram No. 235³ of the 17th November. If, after you have been sufficiently long in Tehran to make yourself personally acquainted with present-day conditions in Persia, there should be anything in this reply to Mr. Nicolson's appeal for guidance that appears to you either obscure or unsuitable to those conditions, I invite you to apply to me for further guidance or elucidation.

11. To sum up, good relations, which in Mr. Nicolson's opinion do not lead anywhere and are merely negative, are in my opinion the key without which no door opens, but with which most doors open sooner or later. The cultivation of good relations is in fact the first condition for the attainment of the ends which His Majesty's Government have ever in view, whether positive or negative. Rightly understood and practised it is not a passive but an active and constructive policy, upon which all else depends. The patience and perseverance, insight and tact, which Sir P. Loraine practised with such excellent results, will still be needed, and will be employed, by you. I look forward with assured confidence to the success of your mission in which you will receive all the support which it is in my power as Secretary of State to afford to you.

I am, &c.,

AUSTEN CHAMBERLAIN

³ No. 454.

No. 459

Sir A. Chamberlain to Sir G. Clayton

Unnumbered [E 6916/2660/91]

FOREIGN OFFICE, *December 28, 1926*

Sir,

This despatch is intended for your guidance in the discussions in which you will engage with the Italian authorities at Rome regarding British and

Italian interests in Southern Arabia and the Red Sea.¹ There is no question of negotiation, and your duty will simply be to act as the mouthpiece of His Majesty's Government in Great Britain for the purpose of a full and frank exchange of views and information with the representatives of the Italian Government. For this purpose I am content to leave to your discretion the method of expounding the position of His Majesty's Government, of meeting any Italian criticisms thereof and of inviting an equally frank expression of Italian views and policy. In this you will be guided by the advice of His Majesty's Ambassador, to whom you will communicate a copy of this despatch.

2. You should at the outset explain that the purpose of your mission is, in accordance with the suggestion contained in the Italian Embassy's note of the 4th October,¹ to promote general political co-operation between the two countries by a frank exchange of explanations and views regarding British and Italian interests in the area of the Red Sea. You may, if you think it necessary, make it clear that there is no question of, or necessity for, any formal agreement, though an agreed summary of the results of your discussions should be placed on record.

3. As soon as opportunity offers, you will explain to the Italian experts the principles inspiring the policy of His Majesty's Government and the facts of the present situation, as set forth in the following paragraphs.

4. The guiding principle of British policy in the Red Sea is the security of Imperial communications with India and the East. For this purpose His Majesty's Government regard it as a vital Imperial interest that no European Power should establish itself on the Arabian shore of the Red Sea, and more particularly on Kamaran or the Farsan Islands.

5. Apart from the safeguarding of this principle, His Majesty's Government have no political ambitions and they are in favour of equality of commercial opportunity throughout the Red Sea area. British firms have for many years past been endeavouring to obtain from the Idrisi concessions in the Farsan Islands and elsewhere, and one such firm has recently concluded with the present Idrisi an agreement in regard to the Farsan Islands. His Majesty's Government have extended such support as they properly could impartially to the various competing firms.

6. The policy of His Majesty's Government towards the Arab rulers and peoples is one of friendship and good relations, although, for reasons to be stated hereafter, this is unfortunately not always possible.

7. So much for the principles involved. It is now necessary to consider the present situation as determined by the aspirations of the three chief Arab rulers, the Imam of the Yemen, the Idrisi of Asir, and Ibn Saud, King of the Hejaz and Sultan of Nejd and its Dependencies.

8. The relations between His Majesty's Government in Great Britain and the Imam are of a peculiar nature. He is in occupation of portions of the Aden Protectorate and has asserted a claim to the greater part, if not all, of the remainder of the Protectorate. Attempts to come to a settlement with

¹ See No. 445, note 3.

him on this issue have failed. At the same time he professes a genuine desire for a peaceful settlement with His Majesty's Government, and this is heartily reciprocated by them.

9. His Majesty's Government are not unhopeful of reaching a settlement with him, and it is not impossible that the local Italian authorities may be able, by their counsels to the Imam, to contribute to this end.

10. Failing some agreement and in the event of further encroachments into the Protectorate, or an attempted occupation of Kamaran or the Farsan Islands, His Majesty's Government may find themselves reluctantly obliged to take active measures against him—a contingency that may come up for consideration at any moment.

11. The Idrisi of Asir appears to be a weakening power and influence in the Arabian Peninsula. By a treaty concluded with the Idrisi during the war His Majesty's Government undertook to protect his seaboard and the Farsan Islands from hostile action.² But they have not considered, and do not consider, this engagement as requiring them to assist him in hostilities with another Arabian ruler. They have, therefore, adopted an attitude of neutrality towards the conflict between the Imam and the Idrisi. This attitude is, however, subject to modification in practice, if not in principle, in the event of the conflict developing in such a way as to threaten an occupation of Kamaran or the Farsan Islands by the Imam.

12. It seems likely that the Idrisi realises his inability to stand alone and that he is consequently contemplating some degree of subjection to either the Imam or Ibn Saud. It further appears that he is inclining towards the latter course and it is possible that Ibn Saud may be prepared to intervene on his behalf in the event of further invasion of his territory by the Imam.

13. There have recently been many and contradictory rumours of impending attacks by the Imam on the Idrisi and by the Idrisi on the Imam, and therein lies the possible though remote danger, referred to by His Majesty's Government in their original memorandum,¹ of a conflict between British and Italian interests owing to the personalities of these two Arab rulers.

14. This danger might be intensified in the event of the subjection of the Idrisi to Ibn Saud and of hostilities between the latter and the Imam. The relations of His Majesty's Government with Ibn Saud are most cordial and they are at present engaged, at his request, in negotiations for the revision of their treaty with him. They have, however, neither the intention, nor indeed the power, of foretelling or influencing his attitude in Arabian politics. Apart from this it is their desire to co-operate with him in every way in the pursuance of their common interests.

15. You will understand from the above that the cardinal interest of His Majesty's Government in the Red Sea is the maintenance of the safety of Aden and of Imperial communications with the East. This interest would be threatened by the establishment by any European Power of a base on the Arabian shore of the Red Sea or at Kamaran or the Farsan Islands; it would

² Cf. No. 450, note 5.

similarly be menaced by the occupation of Kamaran or the Farsan Islands by an unfriendly Arab ruler.

16. His Majesty's Government understand Italian aims and interests in the Red Sea, and particularly in the Yemen, to be of a commercial and economic and not political nature. This impression is borne out by the text of the Italian treaty with the Imam.

17. I am convinced that the interests of both countries can be promoted, in the Red Sea as elsewhere, by frank and frequent consultation. Any possibility of a conflict of interests can thereby be averted from the outset, and co-operation, where called for, will result in mutual benefits to both parties as well as in advantage to the Arab rulers and peoples.

I am, &c.,

AUSTEN CHAMBERLAIN

No. 460

*Sir R. Graham (Rome) to Sir A. Chamberlain (Received January 12, 7 p.m.)
No. 8 Telegraphic [E 209/22/91]*

ROME, January 12, 1927, 5.35 p.m.

Your telegram No. 306.¹

After General Clayton had been presented to Under Secretary and Secretary General² conversations opened yesterday evening with Governor General of Erythrea and Guariglia.³

General Clayton stated our views and Commander Gasparini fenced at great length without clearly disclosing what Italians have in mind. But they appear for one thing to desire equalisation of commercial tariffs in Farsan Islands.⁴ Gasparini informed us of treaty between Ibn Saud and Idrisi.⁵

On one point Italians showed apprehensions which are possibly justified. General Clayton's arrival here is known and so is return of Commander Gasparini at an unusual time. Italians fear light in which the press especially

¹ Not printed. This telegram of December 23, 1926, related to arrangements for the conversations regarding the Red Sea area.

² Of the Italian Ministry of Foreign Affairs, Signor Chiaramonte Bordonaro.

³ Director-General of the Department of Political, Commercial and Private Affairs of Europe and the Levant in the Italian Ministry of Foreign Affairs.

⁴ The preceding seven words were queried in the Foreign Office. In the fuller record of these conversations contained in notes communicated to the Foreign Office by Sir G. Clayton on January 14 there were two references to Italian interest in the Farsan Islands. (a) Signor Guariglia stated that 'Italian interests were purely commercial and connected with the economic expansion of their Colony of Eritrea'; (b) Signor Gasparini 'gave the impression that he was suggesting the elimination of the Idrisi and the division of his territory between the Imam and Ibn Saud, the greater portion to fall to the Imam, including the Farsan Islands. When it was pointed out that Great Britain was under certain treaty obligations to the Idrisi and could not view with indifference his complete extinction, Signor Guariglia intervened and said that he thought that both Governments were agreed that it was desirable to maintain the Idrisi as a buffer State between the two great Arab rulers.'

⁵ This treaty of October 21, 1926, is printed in *British and Foreign State Papers*, vol. 135, pp. 379-80.

the French and Egyptian may present our conversations, sinister designs for partitioning Arabia into spheres of influence may be attributed to us and may disturb great Arab chiefs. Further, the French might desire to participate. Italians think that it would be wise to prepare public opinion by discreet references to our conversations in or articles⁶ in the Rome and London press but not by inspired communiqué. They suggested that conversations should be described as purely economic but to this we objected as not being in accordance with facts. Possibly we might describe them as relating solely to our mutual interests in the Red Sea? I should be grateful for your instructions on this subject.

If as is likely my French colleague comes to ask me what is on foot I should propose to be perfectly frank with him.

⁶ Another text of this telegram here read: 'in shape of articles'.

No. 461

Lord Lloyd (Cairo) to Sir A. Chamberlain (Received January 12, 9.15 p.m.)
No. 7 Telegraphic [E 214/22/91]

Secret

CAIRO, January 12, 1927, 8.45 p.m.

Governor of Erythrea lunched here a short time ago on his way through Cairo to attend Rome conference.

2. In the course of conversation he asked my opinion on question of Red Sea littoral. I replied I felt hardly competent to express any, the area being one with which I had no previous concern. I should however be much interested to hear His Excellency's own views.

3. Signor Gasparini did not hesitate to propound them. Great Britain, he said, had incomparably greater strength in the East than any other power. But for that very reason she was suspect throughout Moslem world. To enable her to move forward she needed a stalking horse. In Red Sea Italy was admirably placed to play that role. The Imam for example in whom Italy was especially interested, was an unique ruler in the sense that he had established rule without recourse to any European power. To gain his sympathy would be of great value. For reasons outlined above England could hardly hope to achieve this whereas Italy should be able to succeed with comparative facility, which given a secret understanding between our two countries would be the same thing. I returned a non-committal reply.

4. Major Vivian¹ who has just passed through Cairo has since told me that he learns from a certain source that Signor Gasparini recently sent a number of Sheikhs into Asir with explicit instructions to foment anti-British feeling; and that Italians hope by this means to secure withdrawal of concession recently given to Shell Oil group in Farsan Island[s].²

Addressed to Foreign Office No. 7. Repeated to Rome No. 3.

¹ Possibly Major V. P. T. Vivian, who had been Superintendent of Police in the Delhi Province.

² Cf. S. H. Longrigg, *Oil in the Middle East* (2nd ed., London, 1961), pp. 100-1.

Sir R. Graham (Rome) to Sir A. Chamberlain
(Received January 13, 10.15 p.m.)
No. 11 Telegraphic [E 229/22/91]

ROME, January 13, 1927, 8.15 p.m.

My telegram No. 8.¹

At a further meeting yesterday evening Italians showed their hand. They are evidently much exercised over treaty between Ibn Saud and Said Idrisi and suggest that we should not recognize [it] as it was preferable to have a buffer-state separating Aden² and Imam. They had, however, on previous day proposed to eliminate Said Idrisi as a mushroom chief of no importance. Italians recognized our vital interest in regard to Farsan islands as affecting imperial communications but said that vital interests of Erithrean colony would be equally affected by anything in the nature of a foreign naval base in islands. They had no political aims but Erithrea was a poor colony which did not pay her way and economic development of islands was most important for her; oil was clearly alluded to; they did not recognize claim of Said Idrisi to sovereignty over the islands and supported that of Imam. We made it perfectly clear that in no circumstances could we accept control of islands passing into hands of either Italians or Imam. They further stated that local island chiefs would have nothing to do with Said Idrisi or recognize his right to islands. Gasparini said that chiefs had repeatedly offered him oil exploitation concession in islands for a small consideration but that he had always refused it out of regard for our feelings. A native Italian subject had however practically completed arrangements with local chiefs which had been upset by concession now given to Asiatic Petroleum Company.³ I took this opportunity to make complaint regarding Italian intrigues as instructed in your telegram No. 7.⁴ Gasparini was perfectly unabashed and said that Sheikh Abdullah Soheil was head of one of the three big families in the islands who would have nothing to do with Ibn Saud or Asiatic Petroleum Company. Guariglia suggested that even if Asiatic Petroleum Company had obtained concession, and he reserved all rights as regards recognizing it, might there not also be room for Italian interests in oil exploitation? The position clearly is that unless we let the Italians in on some footing or other

¹ No. 460.

² This word was queried in the Foreign Office. The corresponding passage in the notes communicated by Sir G. Clayton here read: 'Ibn Saud and the Imam.'

³ A subsidiary of the Royal Dutch/Shell group.

⁴ Not printed. This telegram of January 11 stated that 'geologists now working on the Farsan Islands on behalf of the Shell Company, in connection with the concession awarded to the company by the Idrisi, have complained of Italian intrigues, both against the company and the Idrisi. Chief form of intrigue is systematic bribery. As an example it may be mentioned that early in December one Sheikh Abdulla Soheil arrived at Guenaba from Massowa on small Italian warship and, being refused admission, proceeded to Wasm where he lavishly distributed bribes. Will you take an opportunity of bringing these allegations to the notice of the Italian government. . . .'

as regards participation in oil interests they will do all they can to render the situation as difficult as possible. Nor do I think any official assurances I might extract from the Italian government on the subject would control Gasparini's local action. We are not sufficiently aware of local position to appreciate whether Asiatic Petroleum Company can afford to ignore this ramification of the question. If they can so much the better, if not, it might be well to come to terms.

The Italians indicated that they intended to raise the question of Camaran islands at a later stage and we propose to concentrate on maintaining the existing arrangements, as we think it unlikely that anything better can be secured.

No. 463

Sir A. Chamberlain to Sir R. Graham (Rome)

No. 15 Telegraphic [E 231/22/91]

Important

FOREIGN OFFICE, *January 15, 1927, 6 p.m.*

Your telegram No. 8¹ (of 12th January: Conversations of Sir G. Clayton in Rome).

There is a good deal to be said in favour of Italian suggestion of endeavouring to prevent misconceptions regarding object and scope of the conversations in Rome. I approve therefore of your proposal to be perfectly frank with your French colleague if approached by him and similar attitude will be adopted here if French Ambassador alludes to the conversations.

Press here will be kept informed on lines suggested in your telegram.

Confidential.

Further point for consideration is desirability of informing Ibn Saud of the conversations in Rome and on this I will telegraph again after consulting Mr. Jordan who recently arrived in this country.

Your telegrams Nos. 11² and 13³ (of 13th and 14th January) have since arrived.

I approve Sir G. Clayton's proposal to leave Rome, January 17th.

¹ No. 460.

² No. 462.

³ Not printed. This telegram stated that after further conversations on January 14, which had made the Italian point of view perfectly clear, Sir G. Clayton considered that he should return to London to explain the position. In his notes on this meeting on January 14 Sir G. Clayton recorded in particular that Signor Guariglia had stated that 'the Italian Government were not anxious to press for any change of status in regard to Kamaran' but thought that 'they had a right to some participation in the medical direction of the quarantine station', where there had been an Italian doctor before the war.

No. 464

Sir A. Chamberlain to Mr. Mayers¹ (Jeddah)
No. 2 Telegraphic [E 266/22/91]

FOREIGN OFFICE, *January 18, 1927, 4 p.m.*

You should explain to Ibn Saud that the conversations between Sir J. [sic] Clayton and representatives of the Italian government in Rome have been undertaken in order to avoid possible misunderstandings and complications between His Majesty's Government and Italy in the Red Sea area where both governments have considerable interests.

You should add that the results of these conversations will in no way affect the situation in the Hejaz or His Majesty's Government's attitude of friendship towards him.²

Repeated to Rome No. 20.

¹ H.M. Acting Agent and Consul at Jeddah.

² Mr. Mayers reported on January 21 that he had sent a communication to King Ibn Saud in accordance with these instructions.

No. 465

Sir A. Chamberlain to Sir G. Clayton
Unnumbered [E 376/22/91]

FOREIGN OFFICE, *January 27, 1927*

Sir,

I have now had an opportunity of considering the records of the discussions which you and Sir Ronald Graham so ably conducted with the Italian experts in Rome regarding British and Italian interests in the Red Sea.

2. I am entirely satisfied with the results so far achieved in obtaining Italian recognition of the British interests involved, and in eliciting an explanation of the views and *desiderata* of the Italian Government. In order to fulfil the purpose of your mission I think it desirable that you should return to Rome at the earliest possible date, in order to make known to Signor Gasparini, before he leaves for Massowa, the results of your report to His Majesty's Government and to draw up with him an agreed record of your discussions.

3. Your first duty will be to obtain from the Italian experts, on behalf of the Italian Government, unqualified acceptance of a formula by which they: (a) recognise that, in view of the necessity of assuring Imperial communications with India and the East, it is a vital Imperial interest that no European Power should establish itself on the Arabian shore of the Red Sea, and more particularly on Kamaran and the Farsan Islands and that neither Kamaran nor the Farsan Islands shall fall into the hands of an unfriendly Arab ruler; and (b) renounce any political ambition as regards the territory and islands

above mentioned. In return for an assurance on these lines, you will explain that His Majesty's Government welcome, in the Red Sea area as elsewhere, a policy of the fullest possible co-operation on parallel lines.

4. Equality of commercial opportunity is a corollary of political co-operation, and as evidence of the sincere desire of His Majesty's Government to co-operate with the Italian Government in any way possible, you may assure them that His Majesty's Government are, in principle, favourably disposed towards Italian participation in the Farsan Islands concession, if and in so far as such participation may be found practicable.

5. You should then proceed with the utmost frankness to explain to the Italian experts the various difficulties deriving from the existence of the present concession, the actual and prospective claims of other would-be concessionnaires and the incalculable effect on any concession of the recent treaty between Ibn Saud and the Idrisi. You will, I feel sure, be able to make it abundantly clear that a practicable method of ensuring Italian participation is, at any rate in present circumstances, not easy to devise. Any suggestion which they may have to offer for a solution of this difficulty will be gladly and sympathetically considered.

6. As regards recognition of the Ibn Saud-Idrisi treaty, you should explain that His Majesty's Government appreciate the Italian point of view and are prepared to defer to it by avoiding any appearance of endorsing the territorial provisions of the treaty. In no case will His Majesty's Government volunteer recognition and they are disposed to postpone recognition for as long as may be possible. You should add, however, that this may not be easy, seeing that His Majesty's Government are engaged in treaty negotiations with Ibn Saud, who is likely to take an early opportunity of seeking His Majesty's Government's recognition of the treaty. While, therefore, it may not be possible indefinitely to defer recognition, it will in any case be made clear to Ibn Saud that the policy of His Majesty's Government is to disinterest themselves in matters of internal Arabian politics and that, as the treaty involves certain territorial adjustments in respect of territory claimed by two Arab rulers, His Majesty's Government must specifically withhold any recognition of the territorial provisions and implications of the treaty.

7. As regards Kamaran, you will do your utmost to prevent the question of the juridical status of the island from being discussed. With a view to avoiding this you may assure the Italian representatives that His Majesty's Government are favourably considering the possibility of meeting their wish that an Italian doctor should be added to the staff at Kamaran, assuming always that it can be established that the number of Italian pilgrims merits it. Should an Italian doctor be added, it would presumably be necessary to add also a French doctor.

8. Finally you will, as further proof of our desire for complete frankness and the fullest co-operation, inform the Italian experts that it is proposed at an early date to reinforce the air effectives at Aden and to warn the Imam that any further encroachment in the Aden Protectorate, or any threat to the Farsan Islands, will render him liable to measures of retaliation. You

should impress on them that we would welcome a friendly settlement of our difficulties with the Imam and you may, if you consider it useful, indicate that our desire for such a settlement may afford them an opportunity of proving the value of a policy of co-operation.¹

I am, &c.,

AUSTEN CHAMBERLAIN

¹ On the same day Sir A. Chamberlain stated in a letter to Lord Birkenhead, Secretary of State for India:

'As you have explained to me your doubts about the resumption of the conversations, let me be equally frank and explain to you my motive in this whole question. Mussolini is a most forceful personality and if tackled in the right way is, I feel convinced, prepared to stand by his undertakings. At present his country has not many friends in the world and his whole attitude has led me to believe that he is willing to act sincerely and loyally with us. Now on looking round the map the main, if not the only, point of possible divergence is the Red Sea and its neighbourhood. If then we can come to some understanding about that area, preferably by putting all our cards on the table and by having a perfectly frank exchange of views, I think our one possible difficulty with the Italians may be removed. It was for this reason that when I saw him in the Mediterranean last autumn I agreed with him to have these talks. My personal belief is that they have up till now done good and I am not without hope that their continuance may be really fruitful and of benefit to our respective policies.

'I fully realise that the average Italian is naturally out for his own country's ends on every possible, and even small, occasion. This has been shown by M. Gasparini's attitude during the recent conversations in Rome. On the other hand, when his local enthusiasm carried him away, he was on each occasion gently made to feel the curb by Guariglia, who was undoubtedly acting on general instructions received from Mussolini himself. My main wish, therefore, in sending back Clayton so soon is that he may continue his talks with the Italians before Gasparini returns to Eritrea, as I feel confident that if Mussolini issues his fiat before Gasparini's departure the latter will, if from no higher motive than that of self-interest, dance to Mussolini's tune.'

No. 466

Sir A. Chamberlain to Sir G. Clerk (Constantinople)

No. 71 [E 486/486/44]

FOREIGN OFFICE, *January 28, 1927*

Sir,

The Turkish Ambassador paid me his first visit to-day since his return from Angora.

2. He spoke warmly of the pleasure which Your Excellency's appointment had given to the Turkish Government and of the relations which you had established with them and, observing that I knew how keenly he desired to promote Anglo-Turkish friendship, he expressed himself as well satisfied with all the indications of Turkish feeling towards us which he had derived from his conversations with the President of the Republic, the President of the Council and the Minister for Foreign Affairs.¹

¹ Sir G. Clerk had previously reported in his despatch No. 685 of December 29, 1926: 'Since my arrival here I have had the honour to report several indications of an improvement in Anglo-Turkish relations. Not only was my own reception at Angora distinctly

3. He then appealed to me to have the Turkish proposals for the settlement of the debt² examined with a view to seeing whether their acceptance would not in fact be greatly in the interest of the English bondholders. He understood from conversations which he had had in Paris that the difficulties now came not from the French who held the larger interest, but from Sir Adam Block.³ He fully recognised that Sir Adam Block was not an official of the British Government and could not be controlled by us, but he pressed that the Turkish Government had gone so far to meet the demand of the bond-holders that it would be a thousand pities if agreement were not now reached. I told His Excellency that you had written to me upon the subject and that I was having the matter examined in consultation with the Treasury in order to ascertain the exact position and see whether we could usefully offer any advice.

4. The Ambassador next asked for information about the differences which have arisen between the Yugo-Slav and Italian Governments on the subject of the Tirana Treaty,⁴ and then passed to Mr. Churchill's visit to Rome and his conversations with Signor Mussolini.⁵ All conversations with Signor Mussolini excited great attention in Turkey and gave rise to considerable apprehensions, which were fomented by the language held from time to time by Signor Mussolini in which he spoke of the need of room for the expansion of the Italian population and indicated 'Africa or Asia' as possible outlets. These utterances not unnaturally alarmed the Turkish Government, which were obliged to keep on foot considerable military preparation and were forced to spend large sums of money on this purpose which they would have preferred to devote to more profitable objects. I told the Ambassador that Mr. Churchill's journey was a holiday trip undertaken on the invitation of an old friend now commanding the British Fleet in the Mediterranean; that Mr. Churchill had carried out no political mission and that, though he would doubtless speak to me on the subject when he returned, his conversations in Athens and Rome had not been of such a character as to cause him to send any report of them to me. All that I had seen of his utterances in Rome was the interview which he had given to the press and which had been fully reported in the Italian papers.

friendly, but the attitude of the Turkish Authorities on a number of questions of minor importance has been more helpful of late. The Press also has reflected this change of tone. We are now far from the days when His Majesty's Government were held up to the Turkish public as the disturber of the peace, as the jealous imperialist who could not forgive the new Turkey for bursting her swathing bands and trying to take her place as an equal among the European nations.'

² The reference was to proposals for the annual payment by the Turkish Government of £T.1,500,000 in gold in fulfilment of assurances given at the Lausanne Conference in 1923 that the service of the Ottoman Public Debt, which had been suspended owing to the war, would be resumed.

³ Representative of British Bondholders on, and an alternate President of, the Council of Administration of the Ottoman Public Debt.

⁴ See Chapters II and III, *passim*.

⁵ The Chancellor of the Exchequer had paid a private visit to Rome, January 15-20, and had called on Signor Mussolini on January 15. For a press statement wherein Mr. Churchill referred to his interviews with Signor Mussolini see *The Times*, January 21, 1927, p. 14.

5. The Ambassador then said that, without making any formal request, he would be glad to know whether we should be prepared to agree to the appointment of a Turkish Consul-General at Baghdad. The Ambassador emphasised the fact that he did not contemplate a Consul-General in Mosul. He recognised that for the present such an appointment might give rise to suspicion and have unfortunate political consequences. Turkey had considerable business interests in Baghdad; questions were constantly arising which there was no convenient machinery for treating and he hoped that I should be able to tell him that, if the proposal were formally made, it would be acceptable. I promised on this point to consult the Colonial Office, who would no doubt communicate with the Government of Irak, and to give him a reply at a later date.

6. The Ambassador said that there were two or three other matters which he would like to mention to me quite unofficially and in a friendly spirit as he had found that they created an unfortunate impression in the mind of his Government. He did not ask me for any declaration on the subject at the moment; he wished merely to draw my attention to these small causes of friction. The first was that, whilst the French Government admitted Turkish subjects on an equality with the subjects of European Powers in Syria, the same treatment was not accorded to them in Egypt and Irak where the British Government had influence. I said that I had no knowledge of this, but that I would make enquiries about it.

7. The second point to which His Excellency referred was the great desire of the Turkish Government to have our Embassy at Angora. I replied that there were material difficulties in the way of a change. Angora was not a very agreeable residence and the accommodation for the Ambassador was of the most restricted kind. Your Excellency had expressed to me the intention to be more frequently at Angora than had been customary in the past and I had hoped that, in the coming year, we might begin to make some improvements in the accommodation available for you, but our finances had been very much upset by the industrial disputes of the last twelve months and all estimates were necessarily being reduced by the Treasury to the lowest possible figure.

8. The Ambassador then enquired whether besides these material difficulties, there had not been an agreement between the French Government and ourselves upon the subject. I said that that was certainly so, but it was not an agreement which was intended to bind the parties for all time, though it would of course necessitate my consulting the French Government before any change was made. I did not think it necessary to speak of the reasons which had prompted this agreement in the first instance. I thought it wiser merely to stress the material difficulties in the way of any change at the present time.

9. Finally, the Ambassador said that he found an impression prevailing that our Consular Officers in western Persia were encouraging anti-Turkish feeling amongst the Kurds. I told him that there was no foundation for this suspicion; that on the contrary I realised clearly how any action of the kind

would endanger the friendly relations which had been re-established between us by the Treaty of Mosul;⁶ and that, so far from desiring to foment trouble among the Turkish Kurds, it was our desire to see them peaceful and contented under Turkish rule, for we well knew how sensitive the Turkish Government were upon this subject, how prone they would be to suspect us if there were any trouble, and how injurious these suspicions must be to the good relations which we desired to maintain. I told the Ambassador that he might repeat this assurance formally to his Government as the expression of the policy of His Majesty's Government.

[I am, &c.,]

A[USTEN] C[HAMBERLAIN]

⁶ i.e. the Treaty of Angora respecting the frontier between Turkey and Iraq: cf. No. 439, note 2.

No. 467

Sir E. Howard (Washington) to Sir A. Chamberlain (Received February 7)
No. 189 [E 629/493/34]

WASHINGTON, January 28, 1927

Sir:

I have the honour to inform you that, as a result of conversations, which I had, while in London last November, with Mr. L. Oliphant and Sir Percy Loraine, I yesterday handed to the Secretary of State the memorandum, of which copies are enclosed, respecting a misconception regarding His Majesty's Government's policy in Persia which seems to have arisen in the minds of the United States Minister at Teheran¹ and of Dr. Millspaugh. This misconception was brought to the notice of Mr. Harold Nicolson, then His Majesty's Chargé d'Affaires at Teheran, in a conversation reported by the former in his despatch No. 449² of Sept. 9 last. It consisted in the belief apparently that His Majesty's Government would veto any American loan to Persia. You at once issued instructions to Mr. Nicolson to inform Mr. Phillip [*sic*] that he was entirely mistaken on this point. It was, however, thought advisable that I should also, at the proper time, give Mr. Kellogg a general outline of the aims and purposes of His Majesty's Government's policy in Persia so as to prevent any such misconception from taking root in the minds of the officials of the State Department.

On December the 16th last, Mr. Oliphant forwarded me a copy of your despatch No. 537 to Mr. Clive,³ who had just taken up his position as His Majesty's Minister at Teheran. Mr. Oliphant told me that you wished me to prepare a memorandum based on this despatch for communication to the Secretary of State when the opportunity occurred. I accordingly drew up the memorandum, of which I now enclose copies, and read it yesterday to the Secretary of State, leaving a copy with him.

¹ Mr. Philip.

² See No. 452, note 1.

³ No. 458.

Mr. Kellogg seemed a good deal surprised at this communication and said that he had not heard anything from Mr. Phillip showing that the latter believed that His Majesty's Government would view with disfavour an American loan to Persia. I replied that this might be so but nevertheless it appeared that both he and Dr. Millspaugh had been labouring under some such mistaken opinion and that His Majesty's Government had thought it better to give him a clear statement of the aims and purposes of their policy in Persia, in order to obviate the possibility of this error extending to the State Department.

I emphasized, however, that there were two restrictions we should have to make with regard to American loans; one being that the interest on the Persian debt to us, amounting to £180,000 a year, must be considered as a first charge and secondly, that any loan which was likely, either by developing railway communications from Teheran northwards while neglecting them between Teheran and the Persian Gulf or by any other means, to bind Persia more closely to Soviet Russia while keeping her separated from the rest of the world, would not meet with His Majesty's Government's approval. We wanted a free and independent Persia, but not a Persia dominated by Soviet Russia.

The Secretary of State entirely agreed with this point of view and assured me that, so far as he was concerned, no loan would be issued to Persia by persons in this country which would be likely to have that effect.

I have, &c.,

ESME HOWARD

ENCLOSURE IN NO. 467

Aide-Mémoire

(Copy)

WASHINGTON, January 27, 1927

His Britannic Majesty's Ambassador has been requested to bring the following to the notice of the Secretary of State.

Some months ago the British Chargé d'Affaires in Persia informed Sir Austen Chamberlain that he feared that the United States Minister was labouring under a misconception with regard to the policy of His Britannic Majesty's Government towards Persia. He wrote that Mr. Phillip, in the course of a friendly conversation with him, had stated that both he and Dr. Millspaugh, the head of the American Financial Mission in Persia, had been given to understand by Sir Percy Loraine, former British Minister in Tehran, that His Majesty's Government would take steps to prevent the introduction of American capital into Persia. This misconception appeared to Sir Austen Chamberlain to be of such a fundamental and unfortunate character that Sir Percy Loraine was at once informed of the contents of Mr. Nicolson's despatch, in which this statement of Mr. Phillip was reported, and Sir Austen Chamberlain was able to inform Mr. Nicolson immediately that Sir Percy Loraine was amazed to find that any such statement had been at-

tributed to him and was quite unable to understand how such a misconception could have arisen. Sir Austen Chamberlain stated at the same time that this belief of any objection on the part of His Majesty's Government to American investments in Persia bore no resemblance to any instruction which had been given to Sir Percy Loraine or to Sir Percy's own ideas on the subject.

In view of this apparently inexplicable misconception in the minds of Mr. Phillip and Dr. Millspaugh, Sir Esme Howard has been desired to submit to Mr. Kellogg the following explanation with regard to the policy which His Majesty's Government are endeavouring to pursue in Persia.

As may be readily understood, the primary objects of His Majesty's Government in their relations with Persia are: First, the defence of legitimate British interests and the protection of the lives and property of British subjects. Secondly, the safety and integrity of His Majesty's Dominions, especially those of the Indian Empire, and thirdly, the maintenance of treaties now in force. It is obvious that the existence of a stable, orderly, progressive and friendly Persia is an important factor in the furtherance of these ends. His Majesty's Government are convinced that a policy of good relations with Persia is the one best calculated to serve these purposes. They have recognized, and do recognize, the independent and sovereign status of Persia and are therefore unable, as they are unwilling, to intervene actively or directly in the course of events in Persia or in shaping the institutions or policies of that country. This fact does not, however, bar them from doing what they can through His Majesty's Legation to stimulate and encourage such elements in Persia as may be sincerely striving for the welfare of the country and its better government.

Were Persia to fall either physically or morally under the domination of a foreign and possibly hostile power the purposes which His Majesty's Government have in view would be threatened with defeat. They do not, however, seek for themselves any such dominant position, nor do they wish to assume the responsibility for administering one single square mile of Persian territory, and they are convinced that the best way to avoid these pitfalls lies in adhering firmly to the policy of good and friendly relations indicated above.

Following along this line of policy it may be noted that His Majesty's Government have withdrawn from the ports on the Persian Gulf their troops originally placed there for the maintenance of order but whose presence was regarded by the Persians as a reflection on Persia's complete sovereignty, and for the same reason His Majesty's Government have also agreed to a compromise on the basis of a considerable reduction of their monetary claims against the Persian Government.

His Majesty's Government have no desire to stand in the way of a mutually satisfactory settlement of outstanding questions between Persia and her geographical neighbours though they would deplore a settlement which involved any surrender by Persia of her complete independence. They would also naturally view with disfavour any agreement aimed against

British interests while they particularly wish to avoid a renewal of the position in the last century when Persia was a centre of Anglo-Russian rivalry.

His Majesty's Government would welcome any sound plans for improving the economic situation of Persia, especially if such measures tended to free the northern provinces from the economic servitude to the Russia of today. The development of rapid and regular sources of communication and the construction of railways would, in their opinion, be an indispensable first step towards the improvement of the Persian economic situation and unless designed with obvious prejudicial intent towards British interests would meet with the approval of His Majesty's Government.

The Secretary of State will readily understand that there is in such a policy as this no sign of opposition to any financial assistance which Persia might desire to obtain from the United States of America. The only exception that would be made to this general statement is to the effect that an annuity of £180,000 payable by the Persian Government on account of financial obligations to the British Government must be considered as an absolute charge and outrank any subsequent charges on the Persian Exchequer.

No. 468

Notes of a Meeting held at the Palazzo Chigi, Rome, on January 31, 1927, at 5.30 p.m.¹

[E 637/22/91]*

Present:

The Right Hon. Sir Ronald Graham, G.C.M.G., G.C.V.O., C.B.
Brigadier-General Sir Gilbert Clayton, K.C.M.G., K.B.E., C.B.
Signor Guariglia.
Signor Gasparini.

SIR RONALD GRAHAM stated that Sir Gilbert Clayton had, since the last meeting, returned to London and informed His Majesty's Government of the results of the conversations up to date. The Secretary of State for Foreign Affairs had expressed his satisfaction at the measure of agreement arrived at, and especially at the very friendly atmosphere in which it was evident that the conversations had taken place. The Secretary of State was glad to think that the Italian representatives were prepared to recognise that, in view of the necessity of assuring Imperial communications with India and the East, it was a vital Imperial interest that no European Power should establish itself on the Arabian shore of the Red Sea, and more particularly on Kamaran and the Farsan Islands, and that neither Kamaran nor the Farsan Islands should fall into the hands of an unfriendly Arab ruler; and that just as, apart

¹ This record was received in the Foreign Office on February 7 under cover of a letter from Sir G. Clayton to Mr. Oliphant (not printed).

from the safeguarding of the above principle, His Majesty's Government had no political ambitions throughout the Red Sea area, so the Italian Government were prepared to renounce any political ambition as regards the territory and islands above mentioned. With regard to the various points which had been raised by the Italian representatives in the course of the previous conversations, he asked Sir Gilbert Clayton to explain the instructions which he had received from His Majesty's Government.

SIR GILBERT CLAYTON then dealt with the various points for discussion *seriatim*, starting with that of the recent treaty concluded between Ibn Saud and the Idrisi, by which the former had assumed a protectorate over the territories of Asir. He stated that he had laid before His Majesty's Government the point of view of the Italian Government that recognition by Great Britain of the treaty would be unfortunate, in that it would tend to approve of Ibn Saud's possible territorial claims and certainly give to the Imam of the Yemen the impression that Great Britain was definitely supporting Ibn Saud in ambitions which were not unlikely to lead to an outbreak of hostilities between the two principal rulers in Arabia. He explained that His Majesty's Government had given due consideration to the Italian point of view and were prepared to defer to it by avoiding any appearance of endorsing the territorial provisions of the treaty, and would in no case volunteer recognition, which they are disposed to postpone for as long as may be possible. He pointed out, however, that some difficulty might arise in this respect, in view of the fact that His Majesty's Government were actually at the moment engaged in treaty negotiations with Ibn Saud, who was not unlikely to take an early opportunity of asking His Majesty's Government's recognition of the treaty. It might therefore be impossible to defer recognition indefinitely, but His Majesty's Government were prepared to make it clear to Ibn Saud, in any case, that the policy of His Majesty's Government was one of non-interference in matters of internal Arabian politics, and that, as the treaty involves certain territorial adjustments in respect of territory claimed by two Arab rulers, they must specifically withhold any recognition of its territorial provisions and implications.

The Italian representatives were evidently anxious that His Majesty's Government should refuse any recognition of the treaty, observing that the partial recognition suggested was unlikely to satisfy Ibn Saud, as the main value of the treaty rested on its territorial provisions. They urged that, in any case, His Majesty's Government should avoid at all costs the possibility of giving the impression that they are supporting Ibn Saud in claims to territory which was likely to be a matter of dispute between him and the Imam; in addition, they expressed the hope that His Majesty's Government would, if suitable opportunity should arise, impress upon Ibn Saud the desirability of not pushing his claims to a point which would involve him in active hostilities with the Imam of the Yemen.

SIGNOR GUARIGLIA then raised, in the above connection, the question of the despatch of air reinforcements to Aden, and stated that the Italian Government had been informed that reports of such action had given rise to various

rumours, including one to the effect that active hostilities were contemplated against the Imam, and that air action against Sanaa was to be taken, with the Island of Kamaran as a base. The British representatives were able to reassure Signor Guariglia on this point, and SIR GILBERT CLAYTON stated that it was part of his instructions to explain exactly what reasons had given rise to the reinforcement of the air force at Aden. He stated that there was no question of instituting an offensive against the Imam, at any rate at present. The Imam was in occupation of a considerable portion of the British protectorate of Aden, and had hitherto refused to withdraw; at the same time he had continued to pursue a policy of gradual encroachment upon tribes which were in treaty relations with His Majesty's Government, and it was with a view to putting a stop to this policy of gradual penetration that steps had been taken to resist him should he attempt further encroachment. His Majesty's Government were therefore taking the necessary steps, but were at the same time informing the Imam of the reasons for their action, and, while reiterating their desire for an amicable arrangement, impressing upon him the fact that further encroachment on the Aden protectorate or any attack on the Farsan Islands would render him liable to retaliatory measures.

SIGNOR GASPARINI observed that, while fully appreciating the explanation that had been given, the action which had been taken could not but upset the Imam and perhaps give him the impression that Great Britain was assuming a definitely hostile attitude towards him.

In reply, SIR GILBERT CLAYTON reminded Signor Gasparini that the Imam was in actual occupation of a very considerable portion of the Aden Protectorate, that he had refused to withdraw, and that it could therefore hardly be expected that Great Britain should permit him to encroach further on the Aden Protectorate without taking suitable measures for its defence. If the Imam were likely to misunderstand the intentions of His Majesty's Government in this respect, it would be most helpful if the Italian authorities were to find it possible to point out to him that the responsibility lay upon him for any retaliatory measures which it might be found necessary to take against him, and that his best course would be to refrain from any further encroachments.

SIR RONALD GRAHAM then stated that His Majesty's Government were entirely in favour of equality of commercial opportunity as a corollary of political co-operation, and as evidence of their sincere desire to co-operate with the Italian Government in any way possible, they would be favourably disposed towards Italian participation in the Farsan Islands concession, if and in so far as such participation might be found practicable.

SIR GILBERT CLAYTON then explained the existing situation in regard to the concession which had been obtained by the Shell Company from the Idrisi, emphasising the fact that the company had received no special support from His Majesty's Government, and were merely one of several competitors; he added, however, that it would of course be impossible to force the company to accept participation against their inclinations.

SIGNOR GUARIGLIA and SIGNOR GASPARINI both denied any desire on the part of the Italian Government to ask for pressure of any kind to be brought to bear on the company, and stated that all that they required was a free field for Italian commercial enterprise and no definite pressure exerted by His Majesty's Government against the interests of Italian subjects who might be endeavouring to prosecute commercial activities in the Farsan Islands.

SIR RONALD GRAHAM and SIR GILBERT CLAYTON both assured the Italian representatives that His Majesty's Government had no wish to obstruct Italian commercial activity in this area, and had indeed gone as far as to state that they would be favourably disposed towards Italian participation in the existing oil concession and would gladly and sympathetically consider any proposals to this effect which the Italian Government might put forward.

The question of the inclusion of an Italian doctor on the quarantine staff at Kamaran was then brought forward, and SIR RONALD GRAHAM explained that His Majesty's Government did not view this suggestion with favour, seeing that the number of Italian pilgrims was much too small to merit the appointment of an Italian doctor. Such an appointment could not be justified on these grounds, and would therefore be interpreted as a political move, which would doubtless lead to requests for similar appointments from other Powers, more particularly from the French Government. In this connection, he quoted the statistics of pilgrims passing through the quarantine station at Kamaran in the year 1924.

SIGNORS GASPARINI and GUARIGLIA both urged this point somewhat strongly, and again drew attention to the fact that the Italian Government had had a doctor at Kamaran before the war, and that the appointment of one now would only be to restore their former status. They argued further that the present situation gave the impression that Kamaran had been more or less taken over by Great Britain, and was bound to raise doubts in the mind of the Imam of the Yemen and others in regard to Great Britain's intentions with respect to that island. They thought that perhaps His Majesty's Government did not fully appreciate the good impression that would be made on the Imam by the appointment of an Italian doctor to the staff of the quarantine station.

SIR RONALD GRAHAM and SIR GILBERT CLAYTON maintained the point of view of His Majesty's Government, but stated that, of course, if the number of Italian pilgrims increased to an extent which might warrant the appointment of an Italian doctor on purely administrative lines, His Majesty's Government would be very willing to reconsider the question. It was agreed to leave this matter and, if the Italian representatives still maintained their point of view, to record it in the record of the conversations.

It was then decided that the conversations had now reached a stage at which Signor Gasparini and Sir Gilbert Clayton might discuss the text of an agreed record of the results which had been arrived at.

Letter from Sir G. Clayton to Sir W. Tyrrell
[E 701/22/91]

FOREIGN OFFICE, *February 10, 1927*

Dear Sir William Tyrrell,

I have now completed the conversations which I was instructed to undertake, under the direction of His Majesty's Ambassador in Rome, with the representatives of the Italian Government, on certain questions regarding British and Italian interests in Southern Arabia and the Red Sea, and I enclose herewith copies of the agreed records of these conversations.

You will observe that there are two alternative records, which are identical with the exception that one contains the sentence:—

'that apart from the safeguarding of the above principles, the two governments have no political ambitions in Southern Arabia and the Red Sea'.

at the end of paragraph 4.¹

Both the Ambassador and I considered that we were debarred by my instructions from finally signing any record which did not contain a sentence to the above effect (*vide* E 6916/2660/91, first sentence of paragraph 5, and E 376/22/91, first sentence of paragraph 3 (b)).²

The Italian representatives, however, demurred at this sentence, maintaining that the phrase 'political ambitions' was so vague and undefined that it was extremely likely to give rise to misinterpretation and consequent misunderstandings in the future. They suggested at first that the word 'territorial' might be substituted for the word 'political', but it was pointed out that this alteration would not correspond with the context.

Eventually, as Signor Gasparini had to leave without delay for Eritrea and the Italian Government were most anxious that he should sign the record before his departure, the Italian representatives agreed to accept the contested phrase rather than delay signature.

The Ambassador and I were, however, both impressed by the arguments advanced by the Italian representatives and, on reflexion, came to the conclusion that they applied with equal or greater force to the British side of the question. The phrase is merely a definite statement of a mutual renunciation, which is of no greater value to one party than to the other and which is already sufficiently clearly implied in the text of the agreed record; we are therefore of opinion that it would be preferable to omit it.

For the above reasons we thought it necessary to refer the question of the inclusion or otherwise of the phrase before completing signature. But in order to enable Signor Gasparini to sign before his departure, two copies of each record were signed by Signor Gasparini and myself, and it was ar-

¹ Final Form No. 2, which included this sentence, is not printed.

² See Nos. 459 and 465 respectively.

ranged that the Ambassador and Signor Guariglia should complete signature on whichever of the two records should be selected by His Majesty's Government.

All the original copies are now in Rome awaiting a communication of His Majesty's Government's decision to the Ambassador.

In conclusion, I would observe that the conversations took place in an atmosphere of the greatest friendliness and frankness, and both the Ambassador and I have the impression that they had a good result in dispelling suspicion and promoting a spirit of sincere co-operation. I venture to hope, therefore, that the decision of His Majesty's Government on this one point may be communicated to the Ambassador as soon as possible.³

Yours sincerely

GILBERT CLAYTON

ENCLOSURE IN No. 469

Final Form No. 1

Record of conversations which have taken place in Rome
between

His Excellency, The Right Honourable Sir Ronald Graham, G.C.M.G., G.C.V.O., C.B., His Britannic Majesty's Ambassador in Rome, and Brigadier General Sir Gilbert Clayton, K.C.M.G., K.B.E., C.B., on behalf of His Britannic Majesty's Government,

and

His Excellency Il Cavaliere Jacopo Gasparini, Governor of Eritrea, and His Excellency Il Grand'Uff[iciale] Raffaele Guariglia, Director General at the Ministry of Foreign Affairs, on behalf of the Italian Government.

The above mentioned delegates have, under instructions from their respective governments, discussed certain questions regarding British and Italian interests in Southern Arabia and the Red Sea.

The delegates, acting under their instructions that the respective policies of the two governments in Southern Arabia and the Red Sea should be pursued in a spirit of friendly co-operation and developed on parallel though independent lines, have reached the conclusion that their governments are in agreement on the following points:—

1. That it is in the common interest of the two governments to pursue a policy of pacification in order to avoid so far as possible conflicts between the various Arab chiefs.

³ Foreign Office telegram No. 43 to Rome of February 14 informed Sir R. Graham that this decision would be delayed by the necessity of interdepartmental consultation and instructed him to inform the Italian Government, as a sign of British determination to collaborate, of the communication to King Ibn Saud (see No. 464, note 2). Foreign Office telegram No. 59 to Rome of March 2 instructed Sir R. Graham to complete signature of the agreed record printed as the enclosure below. Sir R. Graham transmitted the texts of the record as completed in his despatch No. 195 of March 11. The English text was identical with that in the enclosure except for minor typing variations.

2. That such influence as the two governments may be in a position to exercise respectively with Ibn Saud, the Imam Yahia and the Idrisi of Asir, should be directed towards eliminating causes of conflict in order to arrive, if possible, at pacific and friendly settlements between those chiefs.

3. That while continuing to exert their influence in the cause of peace, the two governments should not intervene in any conflict, which, despite the efforts of the two governments towards pacification, may break out between those chiefs.

4. That the guiding principle in British policy in the Red Sea is the security of imperial communications with India and the East. For this purpose His Britannic Majesty's Government regard it as a vital imperial interest that no European power should establish itself on the Arabian shore of the Red Sea, and more particularly on Kamaran or the Farsan Islands, and that neither Kamaran nor the Farsan Islands shall fall into the hands of an unfriendly Arab ruler.

That on the other hand, it is the interest of Italy, in view of her possessions on the western coast of the Red Sea, that no European power should establish itself on the Arabian shore of the Red Sea, or on Kamaran or the Farsan Islands, and that neither Kamaran nor the Farsan Islands should fall into the hands of an unfriendly Arab ruler.

5. That there should be economic and commercial freedom on the Arabian coast and the islands of the Red Sea for citizens and subjects of the two countries and that the protection which such citizens and subjects may legitimately expect from their respective governments should not assume a political character or complexion.

6. That the presence of British officials at Kamaran is solely for the purpose of securing the sanitary service of the pilgrimage to Mecca but that for administrative reasons His Britannic Majesty's Government do not consider it possible at present to agree to the Italian request for the participation of an Italian doctor in the quarantine service. But since the Italian Government maintain their point of view in this matter, His Britannic Majesty's Government are disposed to reconsider the question when the number of pilgrims originating in Italian colonies or possessions increases to such an extent as better to justify the presence of an Italian doctor.

7. That it is in the common interest of the two governments to use their respective influence with the Arab chiefs in such a manner as to safeguard as far as may be possible the mutual interests of Italy and Great Britain, and that, therefore, it is desirable that the two governments should maintain close touch with each other in all questions affecting the Red Sea and Southern Arabia, in order to avoid misunderstandings between them or misapprehensions on the part of the Arab chiefs in regard to the policies which the two governments intend to follow in the above mentioned areas.

CHAPTER V

Correspondence concerning British relations with the United States

October 23, 1925–December 31, 1926

No. 470

Sir E. Howard (Washington) to Mr. A. Chamberlain (Received November 2)
*No. 1556 [C 13882/459/18]**

WASHINGTON, October 23, 1925

Sir,

I have the honour to report that the successful issue of the Locarno Conference has formed the subject of detailed comment in every section of the United States press. In contrast with the comparative lack of interest displayed during the preliminary stages of the negotiations, the leading newspapers of the country are now at pains to impress upon their readers the great and far-reaching importance of the results achieved, pointing out that the pacts which have been concluded mark the opening of a new epoch in the history of Europe. Unreserved approval is expressed at the fact that Germany is now in a position to take her rightful place in the comity of Western European nations. The settlement has silenced those critics who have consistently doubted the ability of the statesmen of the former belligerent groups in Europe to agree upon a method for the future adjustment by peaceful means of disputes arising between their respective countries. The 'New York Times' of the 18th October, in an article entitled 'Britain takes Pride in Locarno Treaty,' considers that His Majesty's Government are mainly responsible for the success of a conference whose results serve to strengthen the prestige and influence of the League of Nations and provide a guarantee for European financial and economic stabilisation. On the other hand, the 'New York Journal of Commerce' draws attention to the problems which still await solution, and argues that it would be premature to predict a lasting settlement in Europe so long as the Rhineland occupation question has not been definitely liquidated and Soviet Russia remains outside the orbit of the security pacts. Moreover, the maintenance of the treaties themselves in their present form must depend upon their meeting with the unqualified approval of public opinion in the countries by whose respective Governments they have still to be ratified.

2. In certain quarters it is interesting to note expressions of chagrin and even bitterness at the fact that the momentous decisions of Locarno should

have been arrived at without any participation, either official or otherwise, on the part of the United States of America.

3. The 'Philadelphia Public Ledger,' in a chauvinistic article entitled 'If Europe wishes to Forget,' argues that 'the British believe they have at last found a way to force America into the League of Nations.' The 'New York Times' correspondent at Locarno opines that, as a result of the conference, 'the United States will in many instances face united Europe,' and that 'what the statesmen at Geneva, and now at Locarno, have been trying to do is to pool what Europe has left economically and politically, but especially economically, not to fight America, but to try and hold their own with Uncle Sam.' Senator Borah¹ declares that Locarno 'strikes a blow at the World Court,' inasmuch as the nations who are parties to the arbitration treaties there concluded will in future compose their differences without reference to the machinery provided by that organisation.

4. The successful conclusion of the Security Pact negotiations is regarded here as once more bringing the possibility of a further disarmament conference into the realm of practical politics. As regards land disarmament, the prevailing sentiments of United States public opinion are voiced by the 'Chicago Tribune,' who, in an article entitled 'Let's mind our own Business,' points out that the United States army is smaller than that of any great European Power excepting Germany, and that there would consequently be no object in this country participating in a conference for the reduction of forces on land. This view is said to be also that of President Coolidge, who is reported as believing that a land disarmament conference can properly be held in Europe, but that more would be accomplished in limiting naval armaments if such a conference were to be held in this country.

5. Although the President's intentions are still a matter of conjecture, it is possible that the present efforts of the Opposition to represent the Administration as opposed to substantial tax reduction may serve as an inducement towards his endeavouring to convene a naval disarmament conference at Washington in the near future, thus demonstrating to the United States public the readiness of the Government to take action calculated to diminish the burdens which the exigencies of national defence impose upon the individual taxpayer.

I have, &c.,
(For the Ambassador)
JOHN BALFOUR²

¹ Chairman of the Senate Foreign Relations Committee.

² Second Secretary in H.M. Embassy at Washington.

No. 471

Sir E. Howard (Washington) to Mr. A. Chamberlain
(Received October 27, 9 a.m.)

No. 282 Telegraphic [A 5376/1490/45]

WASHINGTON, October 26, 1925, 1 p.m.

When I was in London¹ Mr. Vansittart² spoke to me about our fear of presentation by American government of claims arising out of blockade before America entered the war. We agreed, so far as I remember, that it would be advisable now to ask Secretary of State³ plainly what were the intentions of United States government, and that if you approved I should receive instructions in that sense. Pending their arrival I have not yet spoken. Last night however the new Assistant Secretary of State Department, Mr. Olds, told me positively that these claims would be presented shortly. I expressed my surprise that such claims arising out of action taken to win the war should be presented to a former associate in the war. He said 'that is not the way the men who make claims feel about it'. This no doubt will represent attitude of United States government, namely that they are simply acting for claimants who have, strictly speaking, a legal right to be supported and that they cannot take any other action.

I think I ought without delay to take up matter with Secretary of State, and if possible with President also, in order if it is in any way possible to prevent matter going any further. May I do so?

I shall be grateful to be supplied with any legal arguments which occur to His Majesty's Government against presentation of claims as these are likely to tell much more with United States government than might arguments which I shall use with necessary discretion.

¹ Sir E. Howard had been on leave in England from June 15 to October 10.

² Mr. R. G. Vansittart was head of the American and African Department of the Foreign Office.

³ Mr. Kellogg.

No. 472

Mr. A. Chamberlain to Sir E. Howard (Washington)

No. 235 Telegraphic [A 5376/1490/45]

Urgent

FOREIGN OFFICE, November 2, 1925, 7.30 p.m.

Your telegram No. 282.¹

You should at once seek interview with President and impress upon him in friendliest but most earnest manner lamentable effect which presentation of blockade claims by former associate in war must inevitably produce on public opinion here. This country is bearing with courage such financial

¹ No. 471.

burdens as would have seemed an impossibility a few years ago to any student of finance and economics. The obligation to repay the American debt² has been accepted and is being loyally carried out at a cost not only to our trade, but to our whole social system which may escape the attention of others, but is painfully evident to us here in what is daily passing before our eyes. A new demand for further payments, especially of this nature, must arouse first general incredulity and then indignation. I am myself frankly horrified at such a prospect and at the effect which the demand must have on the relations between our countries at a time when the closest and friendliest co-operation between them is more necessary than ever if the work of peace and restoration is to be effectively continued.

Your Excellency should add that His Majesty's Government have not failed to appreciate the approval expressed by the President for the settlement reached at Locarno. We are well aware how powerfully he contributed by his influence both to the meeting of the conference and its success.³ His Majesty's Government could not but view with dismay a controversy between the two English-speaking peoples which would throw the world back into the welter of war controversies, introduce a new element of disturbance into international affairs, and thus defeat the very object of Locarno which was the restoration of friendly relationships between nations that were recently at war, and the development of the happy friendship already existing between those who had been associated in that great conflict. You should not fail to impress on President risk he would be running by thus playing into hands of mischief makers who hope to drive a wedge between our two countries by raising the question of the freedom of the seas. This was realised when that question was eliminated in Paris.⁴

You should therefore urge President, on grounds of highest policy, to desist from action entailing consequences of such gravity.⁵

² In January 1923 Mr. S. Baldwin, Chancellor of the Exchequer, and Mr. M. Norman, Governor of the Bank of England, held negotiations with the American Debt Funding Commission respecting the debt incurred during the war by His Majesty's Government to the Government of the United States. His Majesty's Government agreed to issue to the U.S. Government bonds covering the full amount of \$4,600 million which would be repaid over sixty-two years. The interest for the first ten years was to be 3 per cent., and thereafter 3½ per cent. The agreement was embodied in an exchange of notes of June 18-19, 1923: see *British and Foreign State Papers*, vol. 126, pp. 307-17.

³ Cf. Volume I, No. 13.

⁴ The second point in the peace programme (the Fourteen Points) put forward on January 8, 1918, by President Wilson of the United States (printed in *British and Foreign State Papers*, vol. 111, pp. 950-5) had referred to the Freedom of the Seas. It would appear that in the light of a disagreement which arose in October 1918 between the United States and the Allies over the implementation of this point, this question was not discussed at the Peace Conference of 1919: see D. Lloyd George, *The Truth about the Peace Treaties* (London, 1938), vol. i, pp. 74-86. See also *Papers relating to the Foreign Relations of the United States 1918: Supplement I, The World War*, vol. i, *passim*.

⁵ Mr. Chamberlain added in his telegram No. 238 of November 3: 'For the present you should avoid legal aspect altogether.'

*Mr. A. Chamberlain to Sir E. Howard (Washington)**No. 1750 [A 5488/1490/45]**FOREIGN OFFICE, *November 3, 1925*

Sir,

I asked the American Ambassador¹ to call upon me this morning in order that I might speak to him upon the subject of your telegram No. 282² and the presumed intention of the State Department to present to this country large claims on behalf of its nationals arising out of British blockade operations before the United States entered the war. I told the Ambassador that this news had come upon me as a thunder-clap, and that I could scarcely exaggerate the anxiety, and even the dismay, which it caused me. I developed the arguments set out in my telegram No. 235 to you,³ which, at a later moment, I invited him to read as being a considered statement of the personal appeal which I had directed you to make to the President.

Mr. Houghton spoke to me with his usual frankness, and emphasised more than once that he was speaking as an individual and not with the authority of an Ambassador. He said that he had had no communication from his Government on this subject. He was evidently quite unprepared for the grave view which I took of the effect of any such claim upon our relations with the United States. At first, I think, he felt it difficult to understand my attitude. Debts were to him debts—they must be paid by somebody, and the difference between the great Anglo-Saxon nations and ‘the lesser folk without the law,’⁴ to use his own quotation, lay in their acceptance of such claims and their readiness to meet them; but he agreed that there could be no greater disaster than a quarrel between the United States and Great Britain. He said that I had given him much to think about, and that as an individual he should go to work upon the question at once in the hope that some method might be found by which it might be amicably settled.

Thinking as he went along, he at one time suggested that it might be best to play for delay, at another time that the American claims against Great Britain, together with any British claims against America, should be referred to a commission for a general friendly settlement, and then again he returned to the suggestion of delay if no other course were possible.

I told the Ambassador that I too must speak personally, but that as far as I was concerned, I would do my best to induce the British Government to

¹ For Mr. Houghton's account of this conversation see *Papers relating to the Foreign Relations of the United States 1926*, vol. ii, pp. 214–15.

² No. 471.

³ No. 472. In Washington telegram No. 295 of November 4 Sir E. Howard reported that he had left a paraphrase of No. 472 with Mr. Kellogg who had suggested that H.M. Ambassador should postpone seeing the President since ‘there was no immediate hurry as there was in any case no intention of presenting claims at once’. For Mr. Kellogg's account of this conversation see *ibid.*, pp. 215–16.

⁴ Cf. Rudyard Kipling's poem ‘Recessional’.

waive our claims on the Government of the United States if all such claims by the United States upon us were equally waived, but that the difficulty that I saw about any suggestion for a commission was that the United States claims went to the root of our rights as a belligerent Power, that they struck straight at our naval strength and at our power to defend ourselves. In fact, they would open up all the questions which had been covered by the German cry of the freedom of the seas, which at one time received some support from President Wilson, but which, after enquiry, had been abandoned by him at Versailles. It seemed to me inconceivable that these questions should now be reopened, and I saw no possibility of any compromise on the question of principle. If the United States pressed these claims and we conceded anything in respect of them, the action of the United States would have set the whole pack of neutrals on our back. After all, our view of belligerent rights was founded not only on the decisions of British courts in the Napoleonic wars, but on the extensions, developments and adaptations which American courts had given to those doctrines in their civil war, and which had been in the same way adapted and developed by us in the light of the altered conditions and circumstances of the Great War. I could not believe that it was in the interests of the United States, now one of the two greatest naval Powers in the world, to attack and, if successful, to destroy the basis of naval power.

The Ambassador spoke to me of the pain which it had caused him to find how the debt settlement was regarded in this country, as revealed to him at all the banquets and public functions that he attended. He said he sometimes felt that only your Excellency and himself saw enough of both sides of the question to understand the whole. He spoke sensitively, and even with bitterness, of the comments on American action in the French press, taking as his text some article he had read in a Paris paper, which treated Locarno as the liberation of Europe from the American Shylocks. I saw that I was on delicate ground, and I refrained from trying to put before him, as I had intended, the intensity of the feelings which the American attitude had aroused in Europe. He was evidently only too conscious of it, and might easily become resentful about it. I thanked him, therefore, for his promise to communicate at once with the Secretary of State, and I concluded our interview by saying how much I hoped that I might be saved the bitterness of having to be the mouthpiece of my country in a controversy with the American Government and people.⁵

I am, &c.,

AUSTEN CHAMBERLAIN

⁵ In Foreign Office telegram No. 243 of November 5 to Washington Mr. Chamberlain sent a brief report of this conversation to Sir E. Howard and added: 'I regret that you have not already made the communication to the President himself. Delay seems to me in the highest degree dangerous. Unless you see grave objection (in which case you will report to me at once) you should deliver the message from His Majesty's Government forthwith and support it with all the impressiveness that you can.'

*Mr. A. Chamberlain to Sir E. Howard (Washington)**[F.O. 800/258]**Private**November 4, 1925*

My dear Howard,

I have to acknowledge two letters of October 22nd¹ from you and to thank you for your congratulations on Locarno. The Germans brought an obvious desire for peace to the gathering and argued their case with great ability and tact. Briand was throughout a tower of strength with a generosity of outlook and a courage which filled me with admiration. Altogether I was happy in my colleagues and in my press and it is pleasant to find how universally and how generously the part played by Great Britain is recognised. It is indeed true that we were the keystone of the arch and that without Great Britain no such agreement would ever have been reached.

Now as to one or two questions that more directly concern you. First, you will have seen from my telegram and from the despatch which records my conversation yesterday with Houghton with what dismay I have heard that the State Department is contemplating presenting us with a series of claims arising out of the blockade in the early years of the war.² Before this letter reaches you you will have done whatever you can to bring home to the President the danger to the work of European peace and in particular to the good relations between the United States and ourselves which this action would involve. I can see no possibility of a compromise upon such claims without striking at the foundations of our naval power, without touching the very questions upon which we have always refused to go to arbitration and without raising all the issues which President Wilson foreshadowed before he left America and, after examination, dropped when he came to Paris.³ They would expose us to unlimited claims from the whole of the neutral powers and they would be universally regarded here as not only unconscionably harsh from a money point of view but as unfriendly and inconsistent with harmonious cooperation. It is a danger which you must do everything in your power to avert, for if the question is once raised I see no end to the trouble that it will cause.

Next, as to disarmament, I wonder whether the President realises how profoundly unpopular the attitude of America since the war is here and still more upon the Continent of Europe.⁴ It is not to the purpose to argue

¹ Only one letter of this date from Sir E. Howard has been traced in Foreign Office archives. In this letter Sir Esme stated in particular: 'The President is evidently anxious to have a conference here for naval disarmament on the ground that no naval disarmament conference would be of any use without the participation of America.'

² See Nos. 472 and 473 respectively.

³ See No. 472, note 4.

⁴ In his reply of November 19 Sir E. Howard referred to this remark and commented: 'I have no doubt that the President and Mr. Kellogg do realize this and are both alarmed, hurt and irritated by it. They think that Europe should try more to understand their point of view, which is that their people are incapable of understanding European entanglements and had therefore better keep out of them, because otherwise they may be led unwillingly

whether European opinion is reasonable, or whether the point of view taken in the United States is the only right one. It is with the results that I am concerned. The United States and Europe are at opposite poles. There seems no common basis of thought between them. In Europe it is felt that America since the war has given no help though much advice and is now using her position as creditor in a way which is harsh in itself and, in its accompaniments and expression intolerable to the pride of other nations. The idea that the United States, which is so far removed from the dangers that threaten European countries and give rise to their armies and is unwilling or unable to lend its strength to secure peace and remove the fears which have been our daily obsession, should summon us to discuss land armaments at Washington will meet with no support upon the Continent. You must observe too that the League of Nations which America helped to form, but which she has not joined, has already taken up this matter and that those countries which are loyal to the League are not prepared to see it set on one side to gratify American pride. I cannot but think, therefore, that the President would be ill advised to make any suggestion that land and aerial disarmament should be the subject of a conference at Washington. On the other hand, America and ourselves are the two greatest naval powers and I have always said that if he summoned a conference to consider naval disarmament and the other considerable naval powers were prepared to take part in it we should gladly accept such an invitation. We believe that further progress in this matter is possible and would gladly cooperate in any effort to secure it which seemed to offer the probabilities of success. As regards American participation in a League conference on land disarmament, I think it would be appreciated as some recognition of the authority and good work of the League, but I am not quite sure how it would be regarded and I should not like you to take the initiative in suggesting it.⁵

One further question remains to be dealt with, namely liquor smuggling⁶ into blunders which would land them in some irretrievable mess. Personally since I have been over here I have come to the conclusion that in this they are right and that it was much better for us to have been left to ourselves to settle our affairs as has been done at Locarno without them. Considering difficulties with the Senate and the total ignorance of European matters of 99% of the people here, I have really come to the conclusion that to ask for direct and official American cooperation in purely European matters is like inviting an aimiable [*sic*], well-meaning and on the whole friendly bull into our china shop of valuable brittle pieces of Berlin, Sèvres, Vienna, Crown Derby, Capo di Monte etc., and asking him to put them in order. Once we have really set our shop in order ourselves, I think the United States will eventually readily associate itself with any measures to keep it so. But that time is not yet.⁷

⁵ For the question of inviting the United States Government to participate in the work of the Preparatory Commission for the Disarmament Conference, see Volume I, Nos. 127, 131, 138, and 148.

⁶ For correspondence at this time between the United States Government and H.M. Government in pursuance of the convention signed in January 1924 (printed in *British and Foreign State Papers*, vol. 119, pp. 467-9) relative to the prevention of the smuggling of liquor into the United States, in particular from the Bahamas, see *Papers relating to the Foreign Relations of the United States 1926*, vol. ii, pp. 336-58, and Cmd. 2647 of 1926. See also E. Howard, *Theatre of Life* (London, 1935), vol. ii, pp. 501-11, and *Survey for International*

and your proposed visit to the Bahamas. I see no objection to the latter. As regards the former, we have been in conference here with other Departments and we think we can do something more than we have yet done. We have already gone, as you know, to great lengths in order to help the American Government, and eliminate any element which might disturb our good relations, but I am discouraged by this threat of blockade claims, and while that hangs over our head I do not suppose I shall find the Cabinet very ready to make concessions either about rubber⁷ or about liquor [*sic*]. All take and no give is an impossible basis for international policy.

Yrs. sincerely,

AUSTEN CHAMBERLAIN

Affairs 1925, vol. ii, pp. 436–8. In his letter of November 19 Sir E. Howard stated in this connexion: 'It seems to me a really serious misfortune that we should be obliged to protect and support a lot of scallywags of the worst type, who are persistently and in an organised way violating the laws of this country for the profit of their own pockets and thereby seriously endangering the interests of the whole Empire. We certainly made concessions in the Liquor Convention but we also obtained great advantages and the last thing our shipping interests would wish to see is the loss of the Convention. It seems to me quite on the cards that if we cannot stop to a greater extent our West Indian possessions from being made a permanent smuggling base we are liable to see the Convention denounced and America simply taking the law into her own hands as regards the arrest of suspected vessels—with what consequences to the relations between the two countries I would rather not contemplate.'

⁷ For correspondence in 1925–6 regarding requests made on behalf of American manufacturers for relief from British restrictions on the export of raw rubber see *Papers relating to the Foreign Relations of the United States 1925*, vol. ii, pp. 245–67, and 1926, vol. ii, pp. 358–61.

No. 475

Sir E. Howard (Washington) to Mr. A. Chamberlain
(Received November 8, 10.30 a.m.)

No. 302 Telegraphic [A 5580/1490/45]

WASHINGTON, November 7, 1925¹

Your telegram No. 243.²

On receipt of above telegram I at once asked Secretary of State for an interview. Mr. Kellogg arranged this and accompanied me to White House and remained at my request during interview. I began by informing the President of the reason for your message arising out of my telegram No. 282³ of October 26th. I then read your telegram No. 235⁴ text only omitting reference in ante penultimate paragraph, [to] freedom of the seas, which I feared might at this juncture draw discussion into other channels. I went on to say first that His Majesty's Government were really alarmed at effect on British public opinion which would be produced by presentation of blockade claims.

¹ The time of despatch is not recorded.

³ No. 471.

² See No. 473, note 5.

⁴ No. 472

(2) That payment of debt to United States was regarded by us as an obligation of honour and therefore in a very different category.

(3) That public opinion in England would ask how America could justify in logic and fairness presentation of claims for blockade measures, which she herself had vigorously enforced after coming into the war and that it appeared to me that to insist on them would be to open the door to similar claims being made against American government by neutral states.

(4) That we felt that by these measures in proportion as they had been effective (?in) weakening common enemy many thousands of American lives and millions of dollars had been saved to America after she entered into the war.

(5) That after America came into the war we were given to understand that the United States would drop these claims but had never pressed for any written assurance to that effect though at that time we could probably have had it.

(6) That you undoubtedly feared that there would be so great a feeling of indignation and resentment produced in Great Britain by these blockade claims that really friendly co-operation of our two countries in many questions for settlement of world peace which I knew the President had at heart would be seriously imperilled.

The Secretary of State then said that he had not had these claims yet brought to his notice and neither knew their amount nor their precise nature. All he knew was that there were a variety of claims made by His Majesty's Government against the United States government amounting to several million dollars, and that the whole question would need to be carefully gone into and thrashed out. He understood that Sir C. Hurst when he was over here made a suggestion to the then head of the legal department of the state department to that effect.⁵

I at once said that we must draw a distinction between the United States blockade claims for reasons I had stated and claims of other kinds which United States intended to present.

The President who was most friendly during the whole interview and seemed to be struck by what I had said, said that he feared you have been unduly alarmed with regard to the position. He said that he really was quite ignorant about circumstances connected with these claims. He would of course have to look into the matter with the Secretary of State, but he wished to say in the first place that there was no urgency as there was no question of the United States presenting them at our heads without previous consultation and secondly he asked you to believe that he was most anxious not to take any action that would press undue hardness on Great Britain. Her action in coming forward to fund and pay her war debt at a time when she was financially so hard pressed was in his opinion worthy of all admiration and respect. He added that he attached the greatest value to the mainten-

⁵ Foreign Office telegram No. 250 to Washington of November 12 stated: 'It is not true that Sir Cecil Hurst made any suggestion in Washington such as that attributed to him by Mr. Kellogg.'

ance of friendly relations between the two countries and would do anything he could to avoid any action that might embitter them.

Secretary of State on leaving said that he would never have thought of presenting these claims without previously warning His Majesty's Government.⁶

⁶ In a letter of November 27 to Mr. Vansittart Sir E. Howard expressed hopes that these American claims might be dropped but suggested that if they were presented 'we might properly make use of our old claims against certain southern States as a set off against them. Many of the southern claims, which are for loans made before and after the Civil war, might, I am told, stand a very good chance of being passed by an arbitration court.'

No. 476

Sir E. Howard (Washington) to Sir A. Chamberlain

(Received January 8, 9 a.m.)

No. 8 Telegraphic [A 135/6/45]

WASHINGTON, *January 7, 1926, 6 p.m.*

Your despatch No. 1988.¹

I asked Secretary of State today whether he could give me any further information about claims. He replied that he was not yet in a position to do

¹ This despatch of December 15, 1925, transmitted to Sir E. Howard a copy of a Treasury memorandum respecting, in particular, the Swedish Iron Ore blockade scheme, whereby the United States, French, and British Governments had during the war purchased Swedish iron ore in order to prevent its sale to Germany. In 1920 the United States Government had agreed to offset the proceeds accruing to them on account of the resale of the ore against half the cost to His Majesty's Government of another blockade scheme, to the financing of which the United States Government had not contributed. In a letter of November 27, 1925, Mr. H. Butler, Acting Commercial Attaché in the U.S. Department of Commerce in London, stated that his department would like to know what arrangements were to be made for the payment to his Government of the balance of £307,000 respecting the iron ore scheme. Despatch No. 1988 stated in particular:

'12. Should the United States Government decide to abandon the blockade claims, the way would then be clear for a settlement of the inter-governmental claims arising out of the war, on the assumption that the State Department would then withdraw their opposition to the direct negotiation between the competent British and American Government Departments. These claims are largely a matter of accountancy, the facts being for the most part not in dispute; it is mainly a question of deciding the amounts due from the United States Government for services rendered. Their settlement should not present undue difficulty if both sides are authorised to negotiate in a reasonable and accommodating spirit. They lie in an entirely different category from those claims which either Government may have thought it necessary to take up on behalf of private individuals, and which may raise issues of a more contentious character. It is indeed not very creditable to the United States Government that, seven years after the termination of hostilities, this inter-governmental indebtedness arising out of our common action during the war should still remain unsettled owing to the efforts of the United States Government to connect it with other claims to which it bears no conceivable relationship. It should be our aim to keep these inter-governmental claims in a category apart, and to persuade the United States Government to abandon the obstructive attitude which has hitherto prevented their settlement by direct negotiation and on a business basis.

'13. If the United States Government can be brought to agree at a reasonably early date to the procedure I have outlined above, there would be no further objection to the prompt

so as lists were not yet ready but that Mr. Hackworth of State Department who was charged with drawing up the lists had told him in a general way that there were somewhat over one thousand—I think he said thirteen hundred—British claims amounting to over fifty million dollars against United States and between three or four thousand American claims against Great Britain the total of which he could not yet fix. The Secretary of State had instructed him to put in a separate category all so-called 'blockade claims' arising out of measures taken by His Majesty's Government before America entered the War which United States Government would have approved and co-operated in enforcing after they entered the War.

This strikes me as rather hopeful. I did not press for definite statement whether United States Government proposed to waive these claims or not as the moment did not seem to have come for doing so yet. He could only have answered that no decision had been taken pending the receipt of lists.

In reply to first question contained in paragraph 13 of your despatch above-mentioned it is impossible yet to state whether there is good probability that United States Government will waive blockade claims. All I can say is that while the Government do not seem indisposed to do so yet I feel sure that strong pressure will be brought to bear on them in congress to present them and we cannot tell whether in view of elections next November they will be able to resist it.

As regards second question I feel that without waiting for definite statement by United States Government respecting blockade claims we have now advanced so far by knowing that these are to be put in a separate category that we can very well propose to United States Government that all inter-governmental war claims should be settled forthwith as you suggest by direct departmental negotiation and I hope that we should have little difficulty in obtaining that result. I think in these circumstances that the sooner this is done the better.

I quite understand that appointment of special commission is undesirable for reasons you give and if Secretary of State refers to the subject again will do my best to dissuade him from it.

I should be glad to learn by telegraph whether, if you approve, you will suggest this procedure to United States Ambassador, for which American

payment of the sums representing the United States share in the proceeds of the re-sale of iron ore. I should accordingly be grateful if you would inform me by telegram (1) whether, in your considered view, there is now a good probability that the United States Government will waive their blockade claims; and (2) whether in such an event they are likely to agree to an early settlement, by direct departmental negotiation, of the various inter-governmental war claims summarised in the accompanying schedule [not printed: this schedule indicated that the claims of His Majesty's Government were roughly £10·5 million]. These claims are not in any way connected with the blockade.' This despatch further stated that His Majesty's Government were strongly opposed to the establishment of a joint commission to settle all claims arising out of the war—'if only from the fact that the appointment of a commission would tend unnecessarily to complicate the issues and to postpone the settlement of a number of comparatively simple inter-governmental claims'.

Commercial Attaché's note² regarding iron ore seems to offer good opening, or whether you wish me to do so with Secretary of State.³

² See note 1 above.

³ Foreign Office telegram No. 12 of January 19 stated in particular: 'You are authorised to make a proposal to the United States government in the sense of paragraph 12 of my despatch No. 1988. You should, however, be careful to make no reference to the iron-ore payments question, which will, if possible, be held in abeyance until the present negotiations have proceeded a little further.'

No. 477

Sir E. Howard (Washington) to Sir A. Chamberlain (Received February 15)
*No. 184 [A 867/6/45]**

WASHINGTON, February 4, 1926

Sir,

I handed to-day to Mr. Kellogg the enclosed *aide-mémoire*¹ respecting the settlement of intergovernmental claims between Great Britain and the United States, in accordance with the instructions contained in your telegram No. 12 of the 19th January.² Mr. Kellogg appeared to fall into line with this proposal immediately, and said he would take it up forthwith with Mr. Olds, Assistant Secretary of State, who is dealing with the question of claims. I explained to Mr. Kellogg that His Majesty's Government thought that the system of interdepartmental negotiations for the settlement of these claims would be much more rapid and more practicable than the appointment of a commission, and to this point of view he raised no objection. He began to mention other claims, and said that there were certain private claims of American citizens against the British Government which he believed had been practically conceded. I said I believed that this was the case and that these would no doubt be settled in due course, but that I thought that the time had arrived for an immediate settlement of all intergovernmental claims, and the question of these private claims would no doubt be considered later.

2. Mr. Kellogg then again raised the subject of private blockade claims, and once more stated that these could be put into a category of their own. When the list was completed he would of course have to go into them, although he once more repeated that it was possible that the United States Government might consider the possibility of waiving them altogether.

3. For the reasons I have already mentioned, I venture once more to observe that it would be as well not to attach too much importance to these observations on the part of the Secretary of State, feeling, as I do, that without doubt great pressure will be brought to bear on the United States Government to present these claims once they have been examined.

¹ Not printed. For an account of this interview and the text of the *aide-mémoire* see *Papers relating to the Foreign Relations of the United States 1926*, vol. ii, pp. 217-19.

² See No. 476, note 3.

4. I hope, however, that our conversation of to-day, if it leads to the separate settlement of intergovernmental claims without the appointment of any commission, may be considered as a distinct step in advance.

I have, &c.,

ESME HOWARD

No. 478

Memorandum by Sir C. Hurst

[W 1446/30/98]

FOREIGN OFFICE, February 27, 1926

American Participation in the Permanent Court at The Hague

Monsieur Fromageot's letter¹ ends up with the suggestion that when we meet at Geneva we should have a discussion about the Senate resolution.² If he is at Geneva he is certain to talk to me about this question and, therefore, I should like some guidance on certain points.

Broadly—Is it desired to get the United States into the Court despite the conditions embodied in the Senate resolution?³

A conversation with Lord Cecil a few days ago led me to think that he was on the whole against letting the United States make terms. If the Secretary of State shares that view, my conversation with Monsieur Fromageot will take a different turn and would be devoted to encouraging the opinion which pervades his letter that the American pretensions are very difficult to accept.

If on the other hand the Secretary of State thinks it better to try and help the Americans to come in to the Court, the suggestions made by Lord Finlay and by Sir Eric Drummond⁴ must be considered.

Lord Finlay proposes an amendment of the Court Statute on the lines of the American resolution before the United States accede. If I understand his letter aright, it would mean, with regard to Advisory Opinions, that the Court would have no right to give an opinion on any matter referred to it by the Council unless any country which is a party to the Court Statute and which claimed an interest in the matter about which the opinion was asked

¹ This letter of February 19 is not printed.

² See *op. cit.*, vol. i, pp. 1-2, for the Senate's resolution of January 27, 1926, in favour of United States adherence to the protocol of the Permanent Court of International Justice subject to certain reservations. Sir E. Howard had commented in Washington despatch No. 169 of January 28: 'My own feeling on the matter, which I may say is only an intuitive sense of the general atmosphere, is that the "isolationists" are fighting a losing battle, and that the mass of public opinion is gradually coming round to the view that the United States cannot remain isolated from the rest of the world.'

³ Sir A. Chamberlain here made the marginal comment: 'I should answer *Yes*. A.C.'

⁴ Lord Finlay, a judge of the Permanent Court of International Justice, and Sir E. Drummond made these suggestions respectively in a letter of February 24 to Sir C. Hurst, not printed, and a conversation of February 23 with him.

consented to the Court giving that opinion. The consequence of this would, I think, be to render it more difficult for the Council to refer a question to the Court, and this would render the scheme exceedingly unpopular at Geneva.⁵

Most of the Court's work hitherto has consisted of the giving of Advisory Opinions. Sir E. Drummond's view is that, without the work represented by these requests from the Council for opinions, the Court would die of inanition from lack of business. On the other hand, to the mind of an Anglo-Saxon judge, the giving of an opinion in a matter which comes before it otherwise than by the submission of the parties is not the business of a Tribunal, and I suspect that both Lord Finlay and Judge Moore⁶ regard this system of Advisory Opinions with dislike. Their view, however, is probably due to a belief that opinions may be asked on questions which are abstract and hypothetical. In reality the opinions which have been asked for have been in connection with particular disputes that had arisen so that the concrete facts of a case could be presented to the Court.

Lord Finlay's suggestion is certainly worth exploring, but my own view is one of doubt as to whether it would be wise to adopt it. If it were adopted, it would certainly aggravate the difficulty mentioned in Lord Cecil's letter.⁷ This is that to give effect to the American demand entails giving similar rights to other states not Members of the League who might choose to adhere to the Court. It may be worth while to pay a price to secure American accession, but if Russia or Turkey were allowed to accede on similar terms, great inconvenience might arise.⁸

These inconveniences would certainly be diminished if the line I suggested to Monsieur Fromageot in my letter⁹ to him could be adopted. This is that the Powers should enter into an arrangement with the Americans, interpreting the word 'interest' in paragraph 5 of the Senate resolution. By that paragraph the Court is not to give an opinion on any matter in which the United States has or claims an interest. This must mean in effect that it gives the United States a right to decide whether or not it does make any such claim, but if the Americans agreed upon a definition of the word 'interest' and narrowed it down to cases where the dispute in connection with which the opinion was asked was one which could not properly be settled without the United States being bound by the award, it would leave the Court to determine whether what the United States claimed amounted to an interest. If the United States would accept any such interpretation, similar conditions might be given without difficulty to other states.

The definition of 'interest' would be difficult to frame. What I have suggested above is probably too narrow.

⁵ Sir A. Chamberlain noted against this paragraph: 'I think that this would gravely impair the Council procedure in difficult cases; & it runs counter to an Assembly resolution that we ought to have recourse to the Court when the law is in doubt. A.C.'

⁶ Judge of the Permanent Court of International Justice.

⁷ Of February 19, not printed.

⁸ Sir A. Chamberlain noted against this sentence: 'Yes.'

⁹ Of February 17, not printed.

Lord Cecil's suggestion at the end of his letter,⁷ that the Ambassador at Washington should be instructed to ascertain from the President his view of the meaning of paragraph 5 of the American resolution, is to my mind premature. I am satisfied myself that it would be wise for the Powers to insist on proceeding by way of a new agreement to which the United States would be a party and which would *inter alia* modify in certain respects the existing Statute of the Court. The time to ascertain the American interpretation of the Senate resolution would be in the course of the negotiations for the conclusion of that new agreement. To proceed without such a new agreement might subsequently entail very great difficulty. The American resolution does in fact entail an alteration of the Statute creating the Court, and that modification must be effected in a proper way. To illustrate what I mean as to the necessity of amending the Statute: the Statute provides that a judge must be elected by an absolute majority of votes in the Assembly and the Council. For the purposes of the Statute, the Council must mean the Council as established by the Covenant. By the American resolution the United States is to be allowed to send a representative to participate in the election in the Assembly and in the Council. A case might arise in the future in which a candidate obtained a number of votes which would constitute an absolute majority in the Council, but not constitute an absolute majority of the Council plus an American representative. Doubts might well then arise as to the validity of such an election. Risks of this sort must be avoided and I am sure that the way to do it is to have a new agreement signed by all the states which are parties to the Statute of the Court.

Another reason in favour of an amending agreement is that in some states the Statute has had to be ratified after approval by the legislature of the country, and anything which entails an alteration of a treaty ratified after approval by the Parliament should itself obtain the same approval. To make the change, as the Senate resolution suggests, by a mere exchange of notes is, I think, impracticable.

Sir Eric Drummond told me, as will be seen from the record¹⁰ of my conversation with him, that the members of the Court would like to be invited to express an opinion as to whether the American resolution can be accepted without a modification of the Statute of the Court. I do not think there is any need to refer this question to the Court.¹¹

On one other point I should like some guidance. There is a power in the Statute of the Court to increase the number of judges. The suggestion may be made that Germany's entry into the League renders it desirable to increase the size of the Court by one so as to provide for the election of a German judge.¹² I think that any such suggestion ought to be discountenanced. The Court is not a political body: it has got judicial functions to perform, and the smaller it is for the purposes of its duties the better. Eleven is a large Court.

¹⁰ Not printed: see note 4 above.

¹¹ Sir A. Chamberlain here made the following marginal comment: 'I agree. A. C.'

¹² Sir A. Chamberlain here noted: 'We may have to provide for Germany, I fear. A. C.'

To increase it would be a misfortune. Germany can quite well wait until 1930 when the period for which the judges were elected will expire.¹³

C. J. B. H.

¹³ For Sir A. Chamberlain's statement of March 18 to the Council of the League of Nations on this subject see *League of Nations Official Journal*, April 1926, pp. 535-6.

No. 479

Sir A. Chamberlain to Sir E. Howard (Washington)

No. 59 Telegraphic [A 1609/6/45]

Private and urgent

FOREIGN OFFICE, *March 26, 1926, 1.5 p.m.*

My telegram No. 55¹ (of March 23rd. Blockade claims).

From my despatch No. 1750 of November 3rd,² paragraph 4, you will see how urgently I spoke to the Ambassador upon this subject. You yourself were directed to make similar representations to the President on behalf of His Majesty's Government.

If nevertheless you think it possible that United States government have not fully realized our position or the dangers of the situation, you may repeat categorically to Secretary of State that there would be insuperable opposition on the part of British public, which is already burdened with the huge annual payments arising out of the war debt settlement, to the idea of making further payments in respect of the blockade claims. Public opinion here is unable to conceive that United States government can contemplate the revival of claims which were in effect waived when United States entered the war and participated in allied councils or that they should seek to make money out of measures which were essential to the conduct of the war and from which United States derived equal benefit with the allies after they became a belligerent.

¹ Not printed. This telegram gave interim guidance to Sir E. Howard on the same lines as the present telegram in reply to Washington telegram No. 68 of March 22. In this telegram Sir E. Howard had requested instructions on the attitude he should adopt with Mr. Kellogg regarding the Borah resolution. This resolution, introduced in the Senate on March 15 and calling on the Secretary of State 'to inform the Senate what steps he is taking to negotiate claims conventions with Great Britain and France', is printed in *Papers relating to the Foreign Relations of the United States 1926*, vol. ii, p. 238. See *ibid.*, pp. 219-20, for Sir E. Howard's letter of March 16 to Mr. Kellogg regarding this resolution.

² No. 473.

Sir E. Howard (Washington) to Sir A. Chamberlain
(Received March 30, 9 a.m.)

No. 81 Telegraphic [A 1757/6/45]

Confidential

WASHINGTON, March 29, 1926, 11.15 p.m.

Your telegram No. 55.¹

I spoke to President this morning with permission of Secretary of State and told him that following on Senator Borah's resolution you had instructed me to inform him once more what a serious effect presentation of blockade claims would have in England. He first disclaimed any connection between Senator Borah and United States Government's policy and then said 'I do not understand why you people think that we intend to present all kinds of claims arising out of blockade'. I explained to him that we had been given to understand by legal department of State Department that such was the intention. I then read to him the whole of your despatch No. 1750 of November 3rd² excepting last paragraph and went on to repeat general arguments already used (see my telegram No. 302 of November 7th³). I said that the man in the street in Great Britain would never understand how United States government having after United States entered the war benefited by our blockade measures should attempt to penalize us for them at conclusion of the war and speaking as one man to another I could not understand this either. I believed that if those claims were insisted upon they would be strongly disputed and it would drive a wedge between the two countries and cause a split which it might take years to heal. President listened calmly and sympathetically. He said that he believed there are a number of claims of a nature that His Majesty's Government would not dispute but added 'You may tell Sir Austen that we have no intention of presenting any claims or taking any action likely to cause serious ill feeling'. He suggested that the best way of arriving at a settlement would be to have a preliminary examination of claims so as first to establish their nature.⁴

Impression I got from this interview was distinctly favourable though President while evidently anxious to be most friendly was not sufficiently posted to give any definite assurances. In any case he now knows without doubt how you and people of Great Britain feel about the question.

¹ See No. 479, note 1.

² No. 473.

³ No. 475.

⁴ In Washington telegrams Nos. 73-74 of March 26 Sir E. Howard had reported on a conversation of the preceding day with Mr. Kellogg who had expressed himself on the same general lines and made the suggestions discussed in No. 484. Sir E. Howard had commented in telegram No. 74: 'It strikes me that we shall be obliged to adopt some arrangement for joint examination of all unsettled claims even if it is not called a commission.' For Mr. Kellogg's account of this conversation see *op. cit.*, vol. ii, pp. 221-2.

Sir E. Howard (Washington) to Sir A. Chamberlain
(Received March 31, 9.30 a.m.)
No. 82 Telegraphic [A 1788/6/45]

Confidential

WASHINGTON, March 30, 1926, 3.55 p.m.

My immediately preceding telegram.¹

Blockade Claims.

Shortly after seeing the President I spoke to Secretary of State in the same sense.² He was unusually nervous and irritable owing probably to Tacna and Arica³ or some quite different question. When I repeated to him language in second paragraph of your private telegram of March 26th⁴ he burst out 'we seem already to be so unpopular in England when the Chancellor of the Exchequer calls us Shylocks and attributes all Europe's economic distress to us that nothing could make things much worse'.⁵ I said I had not seen any language of this sort attributed to Mr. Churchill and discussion continued. He insisted that joint examination by a commission was the only way and I said that you strongly objected to a commission for several reasons. We came back to the idea of joint examination of nature of claims by a member of the Embassy and one of State Department. Mr. Phenix of State Department who was present and was very useful in smoothing Secretary of State made a suggestion which seems promising to me. It was that State Department should classify all claims eliminate all they do not propose to present in any case and so reduce number as far as possible. Instead then of appointing a regular commission he suggested that United States government should send over two or three men to London to discuss remaining claims in order to see whether they were or were not of a nature to be accepted by His Majesty's Government if presented. As it seems to me that we must sooner or later know what claims United States government propose to present, and this seems a better method than to have a list sprung on us about which we know nothing, I said that I would submit proposal for your consideration if it was put up. Mr. Kellogg said he had practically committed himself to Mr. Borah for commission project but Mr. Phenix pointed out that this plan would answer Mr. Borah's proposals equally well. Mr. Kellogg said he would think it over and let me know later. I then pressed for immediate settlement of inter-governmental debts. Mr. Kellogg said that our claims on this score were far heavier than American claims against us and that he could not submit plan to Congress for large payments to us on one score unless claims of American citizens against Great Britain were simultaneously

¹ No. 480.

² See *ibid.*, pp. 222-4.

³ For an account of the dispute between Chile and Peru over the provinces of Tacna and Arica see the Appendix, p. 958: see also *Survey of International Affairs 1927*, pp. 523-31, and *Papers relating to the Foreign Relations of the United States 1926*, vol. i, pp. 260 f.

⁴ No. 479.

⁵ The reference was presumably to a speech by Mr. Churchill on March 24 on the subject of inter-allied debts: see *Parl. Debs.*, 5th ser., *H. of C.*, vol. 193, cols. 1244-8.

settled. I said that I was unaware what were the amounts of inter-governmental claims but I felt strongly that it would be well to get amounts fixed even if payments were not made until all claims could be settled.

I shall await further communication from Secretary of State. Mr. Phenix seemed to me inclined to treat matter very sympathetically and I hope that the President and he will bring Secretary of State to a more reasonable frame of mind.

No. 482

Sir E. Howard (Washington) to Sir A. Chamberlain

(Received April 9, 11.5 a.m.)

No. 89 Telegraphic [A 1918/6/45]

WASHINGTON, April 8, 1926, 5.45 p.m.

My telegram No. 82.¹

Blockade claims.

Secretary of State yesterday handed me long memorandum² in reply to mine of February 4th last see my despatch No. 184 of February 4th.³

Document points out that there are private claims besides interdepartmental claims which require settlement and suggests that:

1. A preliminary survey of all claims on the file whether inter-governmental or of private persons against either government should be undertaken by State Department and appropriate department of His Majesty's Government with a view to eliminating all claims not entitled to diplomatic support.

2. That as regards claims which seem *prima facie* to merit the two governments bringing their information up to date to ascertain whether some have not been already disposed of.

3. That informally designated representatives of the two governments meet as soon as convenient 'to discuss informally and sympathetically the claims remaining for disposition'.⁴

Memorandum concludes saying United States government believes that informal and friendly consideration of questions on above lines will go far towards settlement of perplexing problems of claims but has no intention of holding rigidly to above procedure and will be glad to consider any modification British government may suggest. Kellogg went on to explain that procedure proposed would obviate all publicity connected with a regular commission while he would be able to tell Senator Borah that claims were being examined. In this case he felt sure that Senator would not press his

¹ No. 481.

² Printed in *Papers relating to the Foreign Relations of the United States 1926*, vol. ii, pp. 224-6.

³ See No. 477 and note 1 thereto.

⁴ In a minute of April 10 Mr. Craigie, a member of the American and African Department of the Foreign Office, commented on this paragraph: 'we should apparently be let in for a sympathetic, if informal, discussion of the blockade claims, which is the one thing we wish to avoid'.

resolution in the Senate. He said he thought that preliminary examination if agreed to should be held in Washington.

I told him that I would recommend this suggestion for your consideration though I could not of course say what view His Majesty's Government would take. I thought however that if approved by you it would be better that suggested preliminary survey should be made in London rather than here as final decision as to whether or not certain claims could be entertained must be arrived at in London. It would therefore save much unnecessary correspondence to begin work in London. Mr. Phenix supported this view and Kellogg did not disagree.

Mr. Phenix had with him a batch of fifty claims which he had picked out from the file haphazard. Secretary of State read some of these to me. I said as to first that it was one His Majesty's Government would not entertain. Secretary of State said that it was also of a type which United States government would not present. He then read one for cotton bales requisitioned by His Majesty's Government and said it was quite possible that this had been paid for, but only by going through the files with competent representatives of both sides could necessary information be obtained with regard to these claims.

Copy of memorandum by bag April 9th.⁵

⁵ Under cover of Washington despatch No. 581 of April 8, not printed.

No. 483

Sir E. Howard (Washington) to Sir A. Chamberlain (Received April 20)

*No. 593 [C 4809/7/62]**

WASHINGTON, April 9, 1926

Sir,

Referring to my despatch No. 547¹ of the 2nd April respecting press comments on the Chancellor of the Exchequer's recent reference in the House of Commons to the Anglo-American debt settlement, I have the honour to say that, so far as I can gather, over and above the press articles mentioned in my above despatch, there has not been one paper in this country, even among those which are most friendly disposed, which has commented favourably on Mr. Churchill's speech. There was nothing in the nature of an official reply, for Senator Borah's outburst, which I also reported on in my despatch above referred to, can certainly not be considered as in any way official, and an effort on the part of the papers to draw Mr. Mellon² on the

¹ Not printed. This despatch reported in particular that in a speech in the Senate on April 1, Senator Borah had interpreted Mr. Churchill's speech of March 24 (see No. 481, note 5) as representing the first move on the part of His Majesty's Government in a campaign to cancel the British war debt to the United States.

² United States Secretary of the Treasury.

subject simply resulted in a statement that he declined to give serious consideration to the renewed suggestion for a general cancellation of war obligations and continued to believe that this was impracticable.

2. The generally unfavourable reception given here to the statements of the Chancellor of the Exchequer confirms me in an opinion I have held for some time after studying American opinion on the subject of the war debt, which I venture, with considerable diffidence, to put down here for what it may be worth.

3. While there is in this country, particularly among financial circles in New York and the east and also among certain politicians who were pro-Ally during the war, a strong conviction that it would have been and still would be in the best interests of this country to have been less insistent on the payment of the total capital and interest of the huge war loans made to Europe, even if total cancellation was not practicable, there is in the middle and far western States a strong feeling that America was dragged into the war by Ally [*sic*] propaganda and that Europe should be made to pay every penny she owes. This view, of course, is held and constantly voiced by such men as Senators Borah (of Idaho) and Reed (of Missouri) in the Senate and innumerable lesser lights in the House. It is also generally, I think, reflected by the press of those States.

4. I feel, therefore, that the opinion of eastern financial circles may act in due time as a sort of leaven which will, if allowed to work quietly, gradually have its effect in leavening the whole mass of public opinion of this country in favour, if not of cancellation, at least of a reduction of these debt charges. If, on the other hand, the question is discussed in England and complaints made of the severity of the settlement, the result will only be a hardening of the present middle-western and western sentiment that the peoples of Europe are not only a set of incorrigible intriguers bent on war among themselves, but also crooks whose only object is to swindle the poor trusting American taxpayer out of his earnings, and so ultimately make the consideration of any reduction an impossibility.

5. I do not believe in any case that reductions are within the range of practical politics in the immediate future, but it certainly seems to me not impossible that if the question is left severely alone on our side they might gradually come to be discussed in a calm and reasonable spirit on this side of the Atlantic. I venture to think, however, that every public reference to this question—unless it is to say that having made our settlement we intend to abide by it so long as that is physically possible—not only does not advance the prospect of any reduction of payments to the United States, but actually retards it.

I have, &c.,
ESME HOWARD

Sir A. Chamberlain to Sir E. Howard (Washington)

No. 70 Telegraphic [A 1665/6/45]

FOREIGN OFFICE, *April 10, 1926, 6 p.m.*

Your telegrams Nos. 73, 74¹ and 76² (March 26th, blockade claims).

Please take an opportunity to thank the President for his message to me³ and for his sympathetic reception of the serious representations I have felt bound to make in regard to this question of the United States blockade claims.

Mr. Kellogg's suggestion for classification is an interesting one which I am prepared to consider sympathetically.

We do not quite see, however, what are the private American claims against His Majesty's Government, other than blockade claims, to which the Secretary of State refers, and it is important that we should be clear on this point before we can come to any decision as to discussion of method of settlement. For this purpose you may as modified by you (see end of first paragraph of your telegram No. 73) take advantage of Mr. Phenix' suggestion that a member of your staff should as a first step be informed unofficially of the categories into which the claims have been divided by the State Department provided that Your Excellency is satisfied that the State Department could not afterwards point to such a step as having constituted a presentation of the claims themselves.

Of course, as far as His Majesty's Government are concerned, no claims arising out of the blockade of ex-enemy countries can be considered and on His Majesty's Government's side the inter-governmental claims are already provided for by our proposal for settlement by direct negotiation between the departments of both governments concerned. As regards the latter I see no reason why they should be regarded as less urgent and as able to wait. You should urge that their settlement should be at once proceeded with.

Very Confidential.

For your own information. We are anxious to avoid a commission on these claims, whether governmental or private. We cannot at present think of any (other than blockade claims) which should not be capable of direct settlement. This is one of the reasons why we wish to know the nature of those referred to by Mr. Kellogg. Another, and the most important reason, is that we fear the possibility of the contingent fee lawyers trying to lay a trap for us through Mr. Kellogg. They may hope to secure consideration by us of cases close to the border line of the blockade claims category to which they could then point as precedents for the consideration of cases just within that category and so on. There may be some justification for this fear in the fact that the State Department appear still to be making some connection between

¹ See No. 480, note 4.

² Not printed.

³ See No. 480.

the blockade claims proper and others in quite different categories. If the private claims on the American side include the packers' claim, this is settled, and His Majesty's Government are not prepared to give further consideration to it (see my telegram No. 271 of December 8th⁴). If the United States government are including the claim of the Standard Oil Company against His Majesty's Government for destruction of their subsidiary's property in Roumania in 1916, His Majesty's Government insist that this case is one for settlement between the Roumanian Corporation concerned and the Roumanian government.⁵ In no circumstances can His Majesty's Government acknowledge any liability towards the Standard Oil Company in this connection. You should not, however, refer to these two cases unless they are again mentioned by the State Department. As regards Roumanian case a full reasoned reply⁶ will shortly be addressed to the United States Ambassador here and it may be well to restrict the correspondence to that channel.

Your telegram No. 82.⁷

We should prefer procedure suggested by Mr. Kellogg in your telegram No. 74, at all events as a first step. If United States government were to send two or three representatives to London this would almost certainly transpire in the press and the belief would gain ground in this country and possibly in the United States that the blockade claims had actually been presented. The feeling generated by any such premature publicity and the ensuing press polemics would clearly embarrass the two governments in arriving at an amiable settlement. Nevertheless, if after the proposed preliminary examination and unofficial discussion at the State Department of the various categories of claims, Mr. Kellogg still favours the idea of a mission to London, His Majesty's Government will certainly give the matter further consideration. They are most anxious to fall in with any procedure which, in the view of the State Department, is likely to lead to the elimination of claims which in the President's words are 'likely to cause serious ill feeling between the two countries'³.

⁴ Not printed. This telegram referred to certain claims made by American pork packers and settled since 1919 and pointed out that they 'had nothing to do with the blockade, but arose out of the re-imposition of food control in August 1919'. In a letter of December 3, 1925, the Board of Trade had explained that 'the claims of the American meat packers have been the subject of diplomatic representations by the American Government for some time and the attitude which has been adopted hitherto by H.M. Government is that these claims must be dealt with by the municipal law of this country, which attitude is fortified by the fact that all the outstanding packers have of their own volition submitted their claims to municipal courts here'. In a further letter of July 30, 1926, the Board of Trade stated that a settlement had been made with a number of American packers known as the Swift group according to which His Majesty's Government agreed to pay £350,000 in full settlement of all claims outstanding.

⁵ For American documentation on this case see *op. cit.*, vol. ii, pp. 308-35.

⁶ This note of April 15 is printed *ibid.*, pp. 322-6.

⁷ No. 481.

Sir A. Chamberlain to Sir E. Howard (Washington)
No. 84 Telegraphic [A 1918/6/45]

Urgent

FOREIGN OFFICE, *April 23, 1926, 10 p.m.*

Your telegram No. 89¹ and your despatch No. 581² (of April 8th, Blockade Claims).

I appreciate friendly tone of United States *aide-mémoire* and note that Mr. Kellogg is in agreement with me regarding undesirability of any publicity at present stage.

Objections to this preliminary examination of claims taking place in London are given in the last paragraph of my below-mentioned telegram and I still prefer that first step to be taken should be that indicated in my telegram No. 70,³ and shall await result thereof before deciding on the next step.

It should be borne in mind that this first step is to be confined to an examination (for our information) of the claims, the categories into which they have already been divided by the United States Government (if this has been done) or the categories into which they naturally fall, and the approximate sums involved in each. There should at this stage be no discussion of the claims or their categories at all. Perhaps it could be arranged with State Department that list submitted to Embassy's examination should only include those claims which appear to State Department '*prima facie* to be meritorious' (see p. 3 of *aide-mémoire*).⁴

Confidential.

We think it safer not to define at this end the categories in which the claims could best be divided but, if after a first survey Mr. Broderick⁵ experiences difficulty on this point, Your Excellency should ask for further instructions.

We will go further into the other points raised by the United States *aide-mémoire* as soon as we have received your report on the preliminary examination.⁶

¹ No. 482.

² See No. 482, note 5.

³ No. 484.

⁴ See *op. cit.*, vol. ii, p. 226.

⁵ Commercial Counsellor in H.M. Embassy at Washington. In execution of the instructions in the fourth paragraph of No. 484 Mr. Broderick had been directed to make a preliminary examination of claims.

⁶ In Washington telegram No. 125 of April 29 Mr. Chilton, Minister in H.M. Embassy, reported on an interview which he and Mr. Broderick had that day with Mr. Kellogg, to whom the substance of the present telegram was communicated, and who agreed that the preliminary examination of claims should take place in Washington: see *op. cit.*, vol. ii, p. 227. In a subsequent interview Mr. Phenix stated that he hoped to go to London at the end of June with representatives of the Navy Department whose talks with the Admiralty on mutual claims would serve as a useful screen. Mr. Chilton and Mr. Broderick suggested that other inter-governmental claims should similarly be settled between the departments concerned.

No. 486

Sir E. Howard (Washington) to Sir A. Chamberlain
(Received May 18, 9 a.m.)

No. 140 Telegraphic [Telegrams 45]

WASHINGTON, May 17, 1926, 10.50 p.m.

Your telegram No. 70.¹

I saw President for the first time to-day since the receipt of above-mentioned telegram and thanked him as instructed for his message. To avoid mistakes I repeated again to him the words of suggestion reported in my telegram No. 81.² He said: 'I suppose Secretary of State will have told you the same.' I went on to say that preliminary examination of claims which he had suggested had now begun, but that number of them was so large that I feared it would take some time. I had, however, this morning received a note from State Department suggesting that Mr. Phenix should go to London next month with officials from Navy Department who were going to discuss the settlement of inter-governmental claims.³ President replied that he understood that this was in order to clear up question with regard to certain claims which might already have been settled. I repeated again to him that I felt that United States Government, having been associated (? with us) in the war and supported our blockade policy, could not now intend to make us pay for it . . . (? views)⁴ Senator Borah might hold with regard to neutral rights. He asked me if any other country had formulated purely blockade claims against His Majesty's Government. I replied not, so far as I know.

In leaving I said that I felt that we could rely on his friendly attitude to avoid any serious difficulties arising between the two countries. Although with his usual caution he did not commit himself, he did not demur to this, and was as friendly as possible throughout. I have never asked him for any definite statement, as I feel he might resent this and change his present benevolent attitude.

¹ No. 484.

² No. 480.

³ The reference is presumably to the note of May 14 of which an extract is printed *op. cit.*, vol. ii, p. 228.

⁴ The text is here uncertain.

No. 487

Sir A. Chamberlain to Sir E. Howard (Washington)

No. 109 Telegraphic [A 2665/6/45]

FOREIGN OFFICE, May 22, 1926, 6 p.m.

Blockade claims.

United States Ambassador informs me that Mr. Kellogg is confirmed in his view that 'claims on either side must be dealt with as a whole and settled together'. Reason given is that he has found that only one of the claims

against United States government being pressed by His Majesty's Government can be settled without legislation.¹ If Mr. Kellogg has not already informed you, please ascertain what are the British claims to which he refers as needing legislation for settlement. They must presumably be in an entirely different category from the United States blockade claims proper, and therefore, in any case, we would be unwilling to treat of their settlement in conjunction with those.²

¹ See *op. cit.*, vol. ii, pp. 227-9. A memorandum of June 12 prepared by the American Department of the Foreign Office commented in particular: 'The legislation needed is of a merely formal kind granting appropriations for claims examined and approved by the competent United States departments and passed to Congress to obtain the funds for settlement. This does not seem a sufficient reason for stating that they must be dealt with in conjunction with the blockade claims.'

² In his telegram No. 152 of May 25 in reply Sir E. Howard listed ten British and two Canadian claims. These were enumerated in the uncited portion of the note of May 14 referred to in No. 486, note 3.

No. 488

Sir E. Howard (Washington) to Sir A. Chamberlain
(Received June 8, 10.30 a.m.)

No. 174 Telegraphic [A 3071/6/45]

WASHINGTON, June 7, 1926, 12.5 p.m.

Last night after dinner Secretary of State spoke to me for a short time about the claims question.¹ He said that he really wished that we would believe that he was trying his best to settle this matter in a manner satisfactory to us. What he was aiming at was to arrange settlement of agreed claims as quickly as possible so that he might inform foreign relations committee of Senate that this has been done and then he could suggest to President that the rest should be scrapped. President he said is as I have reported very well disposed. It was really only by means of informal discussion such as he proposed that matter could be quietly arranged before next session of Congress. He had no other object in view and he hoped you would believe this.

¹ It would appear that this telegram was drafted on June 6 and that the present conversation therefore took place on June 5. In his preceding telegrams, Nos. 172-3 of June 6, Sir E. Howard had reported on a conversation with Mr. Kellogg which probably took place before that recorded in the present telegram: see *op. cit.*, vol. ii, p. 232, for Mr. Kellogg's account, dated June 5. These telegrams reported Mr. Kellogg's reaction to Mr. Houghton's account (see *ibid.*, p. 230) of his conversation in London on June 4 with Sir A. Chamberlain who stated in his telegram No. 127 to Washington that he had expressed to Mr. Houghton strong objections to a visit to London by Mr. Phenix 'on a roving mission of enquiry purpose of which is so ill-defined and might be so objectionable'. In his telegram No. 173 Sir E. Howard stated in particular: 'Mr. Broderick and I sincerely feel that acceptance of Secretary of State's proposal to send over Mr. Phenix to investigate and discuss informally status of certain claims, presents the only possible solution of the question on a friendly basis. If we make it clear that it commits us to nothing and that we do not in any way consider it as presentation of claims, I do not see it can harm us while on the contrary rejection of it will certainly lead to all publicity we wish to avoid.'

I have always felt that both he and the President wished to come to a satisfactory arrangement but that they could not now say openly that they will waive all blockade claims because Congress would be up in arms; if, however, they can present Congress with a *fait accompli* in the shape of an agreement according to which His Majesty's Government agree to accept liability for certain claims validity of which we do not dispute they would then be in a position to say that other claims were not meritorious and were accordingly dropped.

It seems to me that this is the only way out of the difficulty. Question is now in the hands of men who are well disposed, namely Secretary of State Assistant Secretary Olds and Mr. Phenix and they are backed by President. In the circumstances it appears to me the most practical course is to deal with them frankly and without suspicion as once matter gets into the hands of others, we may have to go much further and shall probably fare worse.

No. 489

Sir A. Chamberlain to Sir E. Howard (Manchester, Mass.)

No. 133 Telegraphic [A 3037/6/45]

FOREIGN OFFICE, June 16, 1926, 3.30 p.m.

I have received and considered your telegrams Nos. 172, 173¹ and 174,² and note that you concur with Mr. Kellogg in thinking visit of Mr. Phenix best and indeed only possible solution of the question on a friendly basis. I fully appreciate and reciprocate Mr. Kellogg's sincerity in this respect. I understand his proposal is that we should discuss informally with Mr. Phenix status of claims which he has sifted with a view to arriving at a *prima facie* classification. The settlement of cases within agreed list could then be entrusted to the proper authorities for detailed and individual consideration. As you suggest in your 173 it should be made clear that we should not consider Phenix's visit as presentation of claims and that our readiness to discuss with him is without prejudice. On this understanding, I am of course prepared to co-operate for settlement of non-blockade claims. We must, of course, maintain *our* objection to all claims relating to blockade measures and I understand from your telegram 174 that Mr. Kellogg is aware of this. I therefore willingly accept the suggestion that Mr. Phenix should come over with Mr. Broderick, but I continue to think that, for the reason given by Mr. Phenix himself, their visit should coincide with that of the representatives of the Navy Department. It was for this reason that I had hesitated to accept the date of June 10th when the Navy Department would not have been prepared to come too, and also because I felt that it will be much better for Mr. Phenix to have completed his sifting of *all* claims before he comes: he will then be in a position to know better precisely what information he seeks, and also already to have greatly lightened his list by the rejection of

¹ See No. 488, note 1.

² No. 488.

all claims which the United States government do not consider worth putting forward. From all points of view, therefore, such a date as you suggest (September) will be preferable to any earlier one.³

Confidential.

You will of course let it be clearly understood that our attitude in regard to *blockade* claims remains entirely unaltered. We are endeavouring to meet the friendly intentions of Mr. Kellogg and the President in avoiding controversy. A despatch⁴ putting you in fuller possession of our views on the whole matter will be sent to you this week, and you will be able to use its contents at your discretion.⁵

³ See *op. cit.*, vol. ii, p. 237, for Mr. Houghton's account of a conversation on June 16 with Sir A. Chamberlain who spoke on the above lines.

⁴ Foreign Office despatch No. 818 of June 22 is not printed.

⁵ Sir E. Howard acted on these instructions in a letter of June 17 to Mr. Kellogg, printed *ibid.*, pp. 238-40. See *ibid.*, pp. 240-2, for Mr. Kellogg's reply of June 19 wherein he agreed that Mr. Phenix and Mr. Broderick should arrange to be in London on September 1.

No. 490

Sir A. Chamberlain to Sir E. Howard (Manchester, Mass.)

No. 154 Telegraphic [A 3556/6/45]

FOREIGN OFFICE, *July 18, 1926, 6 p.m.*

Your telegram No. 191.¹ Read again my telegram No. 59² Private and Urgent of March 26th and relative despatches and telegrams.

I note that Mr. Kellogg's reply to Mr. Borah respecting American claims against Great Britain contains references to the possibility of ultimate arbitration. The category of claims to be submitted to arbitration is not defined but if he has in mind claims which call in question the validity of our blockade measures during the war, His Majesty's Government after further serious consideration of all that is involved in acceptance or refusal of arbitration remain irrevocably opposed to arbitration, nor can they agree to retry by arbitration cases which have already been decided by the competent British courts.

We, like the United States government have vital interests which we cannot make the subject of decisions by an arbitral court and which are expressly excluded from the scope of our arbitration convention of 1908.³ If, notwithstanding the categorical communications which have already been made to him, Mr. Kellogg still considers that His Majesty's Government

¹ Not printed. This telegram of July 2 summarized a draft reply from Mr. Kellogg to the Senate regarding Senator Borah's resolution: see No. 479, note 1. The final text of Mr. Kellogg's reply dated July 2 is printed in *Senate Document 155, 69th Congress, 1st session.*

² No. 479.

³ This Convention, signed by Great Britain and the United States on April 4, 1908, is printed in *British and Foreign State Papers*, vol. 101, pp. 208-10.

might arbitrate the blockade claims, it is important that this misapprehension should be removed without delay.

Subject to this reservation, I see nothing to cavil at in Mr. Kellogg's reply to Mr. Borah and he may rely on His Majesty's Government to do everything possible to reach a settlement of outstanding claims by proceeding on the lines already agreed upon.

No. 491

Sir E. Howard (Manchester, Mass.) to Sir A. Chamberlain
(Received August 3)

No. 1310 [C 8614/7/62]

MANCHESTER, MASS., July 20, 1926

Sir,

With reference to my despatch No. 1303¹ of July 16th, relative to the Caillaux-Churchill agreement for the settlement of the French debt to Great Britain,² I have the honour to report that the comments appearing in the press as to the treatment afforded to France by Great Britain, being more lenient than the United States had granted in the Mellon-Bérenger agreement on the French debt to this country,³ caused the United States Secretary of the Treasury to issue a statement on the 16th instant, copies⁴ of which are enclosed herein.

2. Mr. Mellon remarks upon the different lines pursued by Great Britain and the United States Government in their settlements with France, and contends that if the settlement of the *whole* indebtedness of France to Great Britain and to the United States respectively is considered, it will be seen that the United States has been generous in her treatment of France in this matter. In effect, the United States has cancelled the obligations of France for all advances during the war and under the Mellon-Bérenger agreement France is only undertaking to repay post-Armistice advances and obligations.

3. In this connection it is of interest that according to the New York Times correspondent in Paris, Mr. Briand, during the Parliamentary debate preceding his fall on the 17th instant, announced that information had been received from Washington to the effect that the United States Government were ready to assure the French Government that the French debt bonds would not be marketed—see Section 7 of the Mellon-Bérenger agreement enclosed in my despatch No. 822⁵ of May 14th last. His Majesty's Government's concession on the point of the marketability of the bonds in the Caillaux-Churchill agreement was one of the proofs considered by the press here to show the greater British leniency towards France. Considering, however, that the Mellon-Bérenger agreement is now before Congress and

¹ Not printed.

² See No. 91, note 1.

³ See No. 48, note 3.

⁴ Not printed. Mr. Mellon's statement is printed in *Papers relating to the Foreign Relations of the United States 1926*, vol. ii, pp. 99-100.

⁵ This covering despatch is not preserved in Foreign Office archives.

awaits action by the Senate when Congress reassembles in December, it is difficult to see how the United States Government can have given any binding assurance of this kind at the present time.

4. In regard to the general question of the various foreign debts to the United States, Mr. Mellon recently addressed a letter to a Mr. Peabody, replying to his appeal to the President to cancel all the allied war debts to this country. In this letter, copies of which, as published in the New York Times of July 18th, are also enclosed,⁶ Mr. Mellon refutes any accusation of American unfairness to her allies, draws attention to the legal aspect of the American loans and points out that the settlements made have taken into account each nation's capacity to pay. He also distinguishes between the pre-Armistice and post-Armistice advances made by the United States.

5. In considering the present value of the various debt settlements compared with post-Armistice American advances, he explains the remarkable difference in the ratio between the two figures in the case of the British debt⁷ (as compared with the other foreign debts) by characterizing a large proportion of the British debt as 'commercial'. He ends by a tribute to Great Britain as 'sound of heart' and says he does not despair of Europe.

6. The New York 'World' in a further editorial draws attention to Mr. Churchill's statement⁸ that if, owing to the failure of Germany to pay reparation, French annuities to Great Britain were modified, he would expect other creditors of France to take into consideration 'a corresponding modification of the debts due to them'. The World thinks this aligns Germany with France, Great Britain and the other debtor nations against the United States and concludes that in treating these debts as commercial debts, the United States Government have 'traded for the form and have lost most of the substance'. This paper also comments on Mr. Mellon's letter to Mr. Peabody by saying the Secretary of the Treasury is trying to have his cake and eat it. How can he reconcile his statement that the debtor nations have been largely forgiven their pre-Armistice debts with the Administration's declarations against debt cancellation and their undertakings to Congress to insist upon the undiminished principal of every debt? Thus the Administration have failed either to make their generosity clear to Europe or to explain to the American public that it would be wrong to ask too much from foreign debtors. Copies¹ of this article which rather forcibly illustrates how the man in the street in France and in this country will comment on Mr. Mellon's attitude, are also enclosed.

7. The Washington Post openly attacks Mr. Churchill for 'misstatements' in comparing the British and American debt settlements with France, says they are injurious as inciting ill-will between nations and concludes that if

⁶ See the postscript below. The enclosed version of this letter is not printed. The letter from Mr. Peabody, Counsellor at Law in Ashburnham, Mass., dated June 30 and Mr. Mellon's reply, dated July 14, are printed in *International Conciliation Documents for the Year 1927*, pp. 227-48.

⁷ See No. 472, note 2.

⁸ In his explanatory letter of July 12 to M. Caillaux referred to in No. 91, note 1.

France fails to ratify the Mellon-Bérenger agreement, Mr. Churchill will be largely to blame.

8. The New York Times also criticizes Mr. Mellon's explanations to Mr. Peabody, as 'both late and limping' and declares, on the lines of the 'World' argument above, that the trouble is due to having to present 'one set of statements to our own people and another one to our foreign debtors'. The fact was that the virtual moratorium for a few years and the low rate of interest contained in the Mellon-Bérenger agreement meant, in effect, a cancellation of part of the French debt, and if only this had been, at the outset, made clear to France, the feeling there about the United States 'would have been very different from what it unfortunately has been'.

9. This morning's press quotes prominently and at length a report by the Associated Press of yesterday's debate in the House of Commons and Mr. Churchill's comments on Mr. Mellon's interpretation of the British debt to the United States as mainly 'commercial' and the Chancellor's declaration that this view seems to show a real and complete misapprehension of the facts of the case.⁹ There has not yet been time for editorial comment on the debate.

I have, &c.,
ESME HOWARD

P.S. Since the above was written, additional copies of Mr. Mellon's letter to Mr. Peabody, as issued to the press by the Treasury, have been received and are enclosed herein, as being in a more readable form than the 'New York Times' extracts.

E. H.

⁹ Mr. Churchill's statement during the debate in the House of Commons on inter-allied debts is printed in *Parl. Debts.*, 5th ser., H. of C., vol. 198, cols. 971-86; see especially cols. 983-4.

No. 492

Sir A. Chamberlain to Sir E. Howard (Washington)

No. 1103 [A 4324/6/45]

FOREIGN OFFICE, August 20, 1926

Sir,

With reference to my telegram No. 155 of the 18th instant [*sic*],¹ I have to inform your Excellency that, should it at some future time be necessary to make any statement to the press in regard to the possible arbitration of United States claims calling in question the validity of the blockade measures taken by the Allied Powers during the war, the main reasons on which we should base our refusal to entertain the idea of arbitration are as follows:

(i.) The United States of America entered the war against Germany; she profited by the results of all the measures of which she now complains, joined

¹ This telegram of July 18 is not printed.

in enforcing them, took part in the blockade work, and helped to tighten up the blockade measures already in force.

(ii.) These measures were founded on American practice and decisions of the Supreme Court of the United States of America adapted to modern conditions as the Supreme Court adapted the doctrines of the Napoleonic wars to the circumstances and needs of their Civil War.

The fact has to be remembered that Anglo-American practice differs to such an extent from continental theory that it is difficult to frame a rule of international law which would be accepted by continental as well as Anglo-American jurists. The Anglo-American rule, however, is for this country not a matter open to debate or argument, but is a vital necessity.

(iii.) His Majesty's Government consider the validity of the measures which they, in common with their allies, adopted during the war to maintain the blockade of Germany to be a vital issue within the meaning of article 1 of our arbitration treaty with the United States of April 1908. The United States Government themselves exclude the vital interests of their country from arbitration, and past experience has shown that they would not permit to go to arbitration any case which might call in question the validity of the Monroe doctrine.² Our belligerent rights at sea are for us a vital interest—a matter of life and death—and may be regarded as the British equivalent of the Monroe doctrine.

(iv.) As an illustration of the attitude of the United States Government towards arbitration on a recent occasion, it is noteworthy that, at the beginning of 1925, the United States Government refused to submit to arbitration even a comparatively unimportant point. The United States Government had contended that they were entitled under the Dawes scheme to receive from the German Government, out of the sums set aside in the Dawes annuities, payments of damages to persons and property during the war. This was contested by His Majesty's Government, and, to a British proposal in favour of arbitration, the American Government replied in their note of the 4th January, 1925, as follows:

'It is not perceived that it would be necessary or appropriate to resort to arbitration. My Government would be unwilling to overlook the equities involved, and, notwithstanding its confidence in its legal position, would be unwilling to limit itself to a discussion of merely legal questions appropriate to arbitral determination.'³

In the case of the blockade claims, His Majesty's Government, whilst equally confident in their legal position, cannot overlook the equities involved which in this case are of the deepest significance.

2. The above is for your Excellency's information only, and, as stated in my telegram under reference, it is only proposed to make use of this material

² Mr. Monroe was President of the United States from 1817 to 1825; for a citation from the text of his message to Congress of December 2, 1823, see S. F. Bemis, *A Diplomatic History of the United States* (5th ed., New York, 1965), pp. 210–11.

³ Cf. the telegraphic instructions for this note printed in *Papers relating to the Foreign Relations of the United States 1924*, vol. ii, pp. 127–32.

in the press if the reply to Mr. Borah receives wide publicity in the United States and it becomes necessary for His Majesty's Government to define their attitude in regard to arbitration.

3. A memorandum prepared in this Department recording the attitude of the United States Government in recent years towards the question of arbitration questions of vital national interest, and an article by Mr. Malkin⁴ in the *British Year Book of International Law* for 1922-23, which deals in some detail with the point raised in paragraph 1 (ii) above, are enclosed for your Excellency's information and guidance.⁵

I am, &c.,

AUSTEN CHAMBERLAIN

⁴ Second Legal Adviser to the Foreign Office.

⁵ Not printed.

No. 493

Mr. Chilton¹ (Washington) to Sir A. Chamberlain (Received October 18)

No. 1626 [W 9789/30/98]

WASHINGTON, October 8, 1926

Sir:

With reference to my despatch No. 1554² of September 23rd, I have the honour to report that the League Committee's counter-proposals to the fifth American reservation relating to the adherence of the United States to the World Court³ have again been engaging attention at the White House. The President has let it be known that as the reservations were distinctly a Senatorial proposal he considers that the Administration's future course must be determined chiefly by the Senate. He therefore proposes to discuss the matter informally with individual Senators, and consultations are already proceeding between the Secretary of State and Senator Swanson who led the fight in the Senate on the Democratic side for the adherence of the United States to the World Court. Friends of the Court are agreed that it is useless to reopen the question in the Senate and thus permit the 'irreconcilables' to talk the matter to death especially as there appears to be very little likelihood of the Committee's counter-proposal proving acceptable to a two-thirds majority of the Senate.

2. It would still appear to be the sincere hope of the Administration that the World Court signatories may find some formula to enable them to accept

¹ Mr. Chilton, Minister in H.M. Embassy at Washington, was acting as *Chargé d'Affaires* while Sir E. Howard was on leave.

² Not printed.

³ Cf. No. 478. See Cmd. 2776 of 1926 for a report by Sir C. Hurst on the conference held at Geneva in September 1926 of states signatories of the protocol of signature of the Statute of the Permanent Court of International Justice, to which were annexed (i) the Final Act of the conference, with an extract from the rules of the Court and a preliminary draft of a protocol between these states and the United States; (ii) a letter of September 30 from the president of the conference to Sir A. Chamberlain and (iii) a draft reply to the United States Government. See also *League of Nations Official Journal*, November 1926, pp. 1561-3, for a report by Signor Pilotti, the *Rapporteur* to the conference.

the United States reservations as they stand without comment. In an article in yesterday's 'Star', Mr. David Lawrence, who is known to be sympathetic to the ideas and wishes of the White House, expressed the opinion that the feeling exists that most of the opposition to the fifth reservation has been based on a hypothetical case which might never exist and that the committee made their counter-proposal on the assumption that the United States veto-power would be exercised in a broad sense whenever American interests were involved even remotely. He suggested that European Governments may have overlooked the fact that the interpretation of a treaty or international agreement is vested with the executive branch of the United States Government which through the Department of State conducts diplomatic relations and that the Government may be counted upon to use the veto wisely and in a manner that could not provoke serious objection. I think it possible that the Administration may hold this view in all good faith, but I should qualify the statement by pointing out that in practice the Government and the State Department find themselves only too often compelled to cede to senatorial pressure in matters of foreign affairs. Certainly the future possibility of the hand of the Government being forced by Congress in some matter connected with the use of the veto is one which must not be overlooked.

3. For political reasons Mr. Coolidge is probably genuinely anxious that the United States should take its place as a member of the World Court. As an outward token of the 'high idealism' of the American people, it would doubtless appeal to a large section of the somewhat hysterical voters in this country and with the Senate reservations it would place the United States in a very strong position vis-à-vis the other members of the Court. If, however, the reservations prove unacceptable to the League resulting in the United States Government withdrawing their application for membership of the Court, I do not consider that Mr. Coolidge would be greatly disturbed for he would be able to say to the American public that the United States had endeavoured to cooperate with the League in the interests of peace and had been rebuffed. As far as the Government is concerned, therefore, I consider it unlikely that the World Court issue will receive much attention at any rate in the immediate future.

I have, &c.,
H. G. CHILTON

No. 494

Mr. Chilton (Washington) to Sir A. Chamberlain (Received November 18)
*No. 1751 [A 6071/318/45]**

WASHINGTON, November 5, 1926

Sir,

The receipt of your telegram No. 223¹ of the 30th ultimo, instructing me to obtain the agreement of the United States Government to the appointment

¹ Not printed.

of a Canadian Minister in Washington, seems to mark the closing of a chapter in the history of this Embassy and the opening of a new era in the relations between Great Britain and the United States. It seems fitting, therefore, at this moment that I should furnish you with a brief résumé of my impressions of the feelings entertained towards Great Britain by the people of the United States at a time when the former country appears to stand upon the threshold of new imperial developments and relationships.

2. It is satisfactory to be able to declare that in general all classes of the community are kindlier disposed towards Britain than at any previous period, and in this connection it is not without significance that Assistant Secretary of War MacNyder recently told a member of my staff that even in the Irish districts of New York, once a hotbed of anti-British feeling, the type of poison distilled by Mr. Randolph Hearst² has very little effect in stirring the passions of the multitude. In the middle and far west, where only a few years ago it was scarcely safe for British consulates to denote their existence by brass plates and where the display of a Union Jack would have been a direct incitement to popular tumult, conditions have improved almost beyond recognition. Nevertheless, here and there the old prejudices, nurtured by false historical teachings and fanned by ignorant and unscrupulous politicians occasionally burst into flame if provided with the least vestige of an excuse. In Congress, too, men of the types of Senators Borah and Reed (Missouri) and Representatives Porter and Newton will continue to seize opportunities to loose their verbal artillery at all things British. Suspicion of the powerful foreigner seems to me to be largely the basis for the anti-British feeling that still persists. The average American is deplorably ignorant of all other nations, their problems or policies, and in dealing with international matters seems cursed with a sort of inferiority complex which renders him fearful of being outwitted by the supposedly more wily and unscrupulous European or Asiatic. He does not altogether trust the representatives or delegates sent abroad by his Government, and is consequently almost aggressively anxious to avoid what he describes as 'entanglements.'

3. During last summer the country suddenly became aware, as it were overnight, of the fact that their war debt repayment policy had made Americans exceedingly unpopular in the Old World. While the stoning of American tourists in France occasioned mere resentment, the publication in certain British newspapers of anti-American editorials accusing the United States of 'Shylockism' deeply wounded the feelings of a vast number of people, who, having been far removed from the actual scene of conflict, have no glimmering of understanding of the feelings engendered in Europe by the sacrifice of life in the war, and persist in regarding the financial advances made by this Government as purely commercial transactions. Feverish attempts were at once made by part of the press and by certain officials in Washington to show that the British public had been misled by Mr. Winston Churchill (whose speeches and statements were in the main either incorrectly reported or erroneously head-lined), with the result that the Chancellor of

² Mr. W. R. Hearst was proprietor and publisher of a number of American newspapers.

the Exchequer for a time enjoyed extreme unpopularity, and even now is not regarded with too kindly eyes. For a time there seemed to be a tendency to forget that the British debt, the origin of which is now lost in the obscurity of the past and which many people seem to think was due to the extravagant desire of the Wilson Administration to pull other countries' chestnuts out of the fire at the expense of the American taxpayer, is being repaid.

4. But I am not sure that the agitation of last summer did not do good. It undoubtedly caused a mood of introspection and a desire on the part of many people to enquire closely into the debt situation. But it will take time for the public to rid themselves of their entirely honest conviction that Great Britain especially gained enormous territorial acquisitions through the war, as well as commercial advantages. 'Why should we pay for the war,' enquires John Citizen, 'when it wasn't our war anyway?' The feeling that Europe came to blows because of ancient animosities, the despotism of Kings, and to crush dangerous trade rivals, while the United States drew the sword in a disinterested attempt to make the world safe for democracy, dies hard, and while it has any life left the politicians will pay homage to it.

5. Turning to more material questions, I fear there is a widely-held impression that however progressive and virile the Dominions may be, Britain herself is in a sorry state. At the end of the general strike British prestige stood higher probably than at any time since the 11th November, 1918; during the last six months it seems to have declined considerably. The effect of the interminable coal dispute upon the British trade returns has been published broadcast, while reports of suffering in the coal-producing areas, of the increase in unemployment, and of the low standards of living prevalent among British industrial workers, are contrasted unfavourably with the unexampled prosperity of this country. Dean Inge³ contributed to thicken the cloud of gloom which, in American eyes, now enshrouds the future of Britain. Sensational forebodings such as his are invariably published under scare head-lines throughout the length and breadth of the country. It is feared that commercially we are in a bad way and that British industrial management is out of date, inefficient and vitiated by class feeling. Mr. Michael Dewar, a member of the Mackenzie Industrial Mission and managing director of the Metropolitan Carriage and Wagon Company (Limited), did nothing to efface this impression when he jokingly informed a number of local business men, including the vice-president of the United States Chamber of Commerce, that his company made a point of 'cooking' their accounts so as to confuse labour. This quaint example of self-derogatory British humour was taken seriously by his listeners, one of whom later informed one of my secretaries that he and his companions had been shocked at Mr. Dewar's 'frankness.'

6. The Imperial Conference⁴ is exciting considerable interest. At first

³ Dean of St. Paul's Cathedral, London, and author of *England*, published in September 1926.

⁴ For a summary of the proceedings at the Imperial Conference held in London from October 19 to November 23, 1926, see Cmd. 2768 of 1926, and also Cmd. 2769 of 1926.

there was a tendency to expect open defiance on the part of South Africa and, to a somewhat lesser extent, Ireland, and even Canada. Now this has developed into a feeling that there will be no unpleasantness and that when the conference breaks up the commonwealth of nations will remain on as sound, if not a sounder, basis than before. I feel that Mr. Mackenzie King's emphatic denial of the existence in Canada of any desire for amalgamation with the United States⁵ was a most salutary pronouncement.

7. With all the forebodings one hears expressed over the future of Britain and the Empire, I am confident that, beneath it all, the majority of Americans entertain deep confidence in the basic soundness of British institutions, finance and commerce and a respect for the British people. The constant industrial unrest of the last few years, the whole dreary round of strikes, unemployment and the rest, may have shaken, perhaps, but have not undermined their faith. And I believe that if only the present upheaval in the coalfields can be followed by a period of industrial peace, reconstruction and development, the voices of those whose wish for the disintegration of the British Commonwealth is now father to the thought will soon become inaudible.

I have, &c.,
H. G. CHILTON

⁵ The reference was presumably to a press statement made in London on October 18 by the Prime Minister of Canada: for a report see *The Times*, October 19, 1926, p. 16.

No. 495

Mr. Chilton (Washington) to Sir A. Chamberlain
(Received November 19, 9 a.m.)
No. 277 Telegraphic [A 6108/6/45]

WASHINGTON, November 18, 1926, 7.45 p.m.

Following for Sir W. Tyrrell from Mr. Vansittart.¹

Private. Very Confidential.

Please see Mr. Craigie's private and very confidential telegram² to me of November 17th which is disturbing as regards difficulties foreshadowed by other departments. A very favourable atmosphere has, I think, been created here, but there is also an evident and somewhat natural expectation that effort should be made to arrive by discussion at a point where solution might be adumbrated—*ad referendum* of course—before Congress meets. If under pressure from Treasury, Admiralty and Colonial Office discussion here had practically to be called off, and deferred to some undefined date—in any case too late for their purposes—in London, we feel alarmed that an impression of ill faith would be created in State Department, present possibly

¹ Mr. Vansittart was on leave in Washington.

² Not preserved in Foreign Office archives. This telegram possibly related to the inter-departmental meeting of November 15 regarding claims referred to in No. 497.

favourable atmosphere may evaporate and United States government might feel tempted to go back on much of the scaling down so successfully accomplished by Mr. Broderick and Mr. Phenix.³ It might be well to consult Sir E. Howard, but we are disquieted at possibility of reviving the whole question in a more awkward form than that to which it has at present been reduced if we disappoint United States government of their expectation that at least some serious though of course tentative steps will be taken with a view to clearing off problem before the awkward moment of the assembling of Congress.

Both Secretary of State and Mr. Olds asked to receive me and have spoken in reasonable though of course only general terms. In view of Mr. Craigie's telegram I shall of course 'go slow' and try to avoid further talks till the middle of next week, but beyond that point suspicion may arise if there is a complete lay off.

³ Cf. No. 497.

No. 496

Mr. Chilton (Washington) to Sir A. Chamberlain
(Received November 19, 12 noon)
No. 278 Telegraphic [A 6117/6/45]

WASHINGTON, November 18, 1926, 11 p.m.

My telegram No. 277.¹

Following for Sir W. Tyrrell from Mr. Vansittart.

Mr. Olds asked me to see him privately and unofficially this evening and, after some general discussion, submitted formula contained in my immediately following telegram² which he said was based on an idea that had emerged from private conversation with you.³ I said of course that I had no power in any way to commit my government and that idea was a completely novel one. I would however submit it for consideration. U.S. suggestion amounts to this. They contemplate that there would, as a result of the present navy department discussions with Admiralty in London, be owing from the former to the latter sums roughly as follows:

(?Admiralty) cases, \$551,000, supplies \$575,000; Emperor group \$600,000;⁴ minor items perhaps \$200,000; in all between \$1,800,000 and

¹ No. 495.

² Not printed: this formula is printed in *Papers relating to the Foreign Relations of the United States 1926*, vol. ii, pp. 300-1.

³ For a record by Mr. Olds of a conversation in London with Sir W. Tyrrell on September 21 see *ibid.*, pp. 247-50. No record of this conversation has been traced in Foreign Office archives.

⁴ The Emperor was the largest of a group of eight ex-German passenger vessels which, according to a decision of February 1919 by the Allied Maritime Transport Council, had been temporarily allocated to the United States Government. It was subsequently decided that the ships should be allocated to Great Britain but when, in September 1919, British

\$2,000,000. Under this formula we should be asked to waive these claims and pay navy department's claims against us amounting approximately to \$500,000 as they understand though none of these figures are at present at all definite. Out of . . .⁵ £400,000 plus an actual payment of £(?100,)000 U.S. government would undertake to meet *all* claims and clean the slate without going into any details with us that might be embarrassing.

I realise of course that formula is open to criticism and could in any case be improved from our point of view. One point that at once occurs is that there must be no bar to our power to plead laches.⁶ Another is that if we could obtain that exclusion of all other claims so far as we are concerned involved cancellation on their part of the sums payable under Swedish iron ore arrangement,⁷ bargain would be improved from our point of view by about £300,000 and would then be a pretty good one for us. As it stands bargain would be a pretty good one for them as we calculate they would get substantially more this way than if we fought each case separately. On the other hand (? there) may be thought advantage in getting rid of a politically difficult question on lines suggested in the event of payment of some £100,000 without detailed controversy. My impression is that apart from possibility of ore payments the round figures of all this could be reduced anyhow; but fear of congress is of course evident and Mr. Olds made it clear that speed was the essence of proposal however modified, as desire was to forestall congress busybodies by confronting them with an accomplished fact. For this reason I have telegraphed forthwith. We would propose to scrutinise formula more closely tomorrow and I shall then leave Washington till the middle of next week thus avoiding further discussion till I have some indication of your views.

It may perhaps be recalled that fund which United States government thus propose to constitute to enable them to escape criticism in meeting claims is approximately equal to Mr. Broderick's estimate of our probable residual liability.⁸

crews went to New York to collect the ships the United States Shipping Board refused to surrender them. In Washington telegram No. 281 of November 23, 1926, Mr. Chilton confirmed the assumption, in Foreign Office telegram No. 255 of the previous day, that "“Imperator” group corresponds to what we usually call the “Wages claim” which has been under negotiation between the Board of Trade and Shipping Board”. The Treasury, in a letter of April 15 to the Foreign Office, had stated that this was a ‘claim of about £150,000 by the Shipping Liquidation Department against the United States Shipping Board in respect of wages, &c. of crews of ex-German vessels’. The Treasury letter further explained that ‘the Shipping Board are liable to the Uruguayan Government for certain sums in respect of hire of four ex-enemy vessels which were chartered to that Board and re-chartered to Great Britain, and that when the amount of that liability is determined there will be a claim by that Board against the Shipping Liquidation Department which may amount to between £50,000 and £150,000. It is hoped that it will later be possible to set off the Uruguayan prizes claim against the “wages” claim leaving the balance one way or the other only to be liquidated.’

⁵ The text is here uncertain.

⁶ See No. 292, note 3.

⁸ See No. 497.

⁷ See No. 476, note 1.

Memorandum by Mr. Craigie
[A 6103/6/45]

FOREIGN OFFICE, November 19, 1926

Recent Developments in the American Blockade Claims Question

On September 1st Mr. Phenix and Mr. Broderick commenced their investigation into the British records relating to American claims against His Majesty's Government. The enquiries, which were very thorough, continued until October 2[2]nd, when Mr. Broderick furnished his report (A 5700).¹ The various stages of Mr. Phenix's and Mr. Broderick's investigation may be summarised as follows.

At the start they had 2,165 cases to examine which were then on the files of the State Department. Before they left Washington they had rejected 1,106 cases of which, however, the six were subsequently replaced. This left 1,065 complaints to be looked into in London. As a result of the London enquiries, in which all departments concerned co-operated very wholeheartedly, only 85 cases have been reserved by Mr. Phenix for further consideration by the State Department.² Of these 85 a great many were, in Mr. Broderick's opinion, retained primarily for window-dressing purposes, and the main result of the enquiry has been to confirm Mr. Broderick's original estimate that the cases to the settlement of which the State Department would ultimately attach the greatest importance were the following: 'Canadia', 'Llama', 'Luckenbach', 'Edna' and the Midland Linseed Products Company case.³ The total amount of the claims made to the State Department up to date in respect of these cases is approximately £470,000, but it is possible that certain additional claims will be made in respect of the 'Canadia'.

While the Phenix-Broderick investigation was in progress, negotiations started in London between representatives of the Admiralty and Navy

¹ Not printed.

² In a memorandum of October 22 on the same subject Mr. Craigie stated in particular: 'It has been possible to convince Mr. Phenix that a large number of the remaining claims had either been satisfactorily settled without the knowledge of the State Department or else had no real merit and were undeserving of official support.' For the report which Mr. Phenix submitted to Mr. Kellogg on November 9, see *op. cit.*, vol. ii, pp. 251-87.

³ The Danish ship 'Canadia', carrying a cargo of American cotton, and the American tanker 'Llama' had both been intercepted by British ships in 1915 and had sunk while under the command of British officers and men. The United States steamer 'Jacob Luckenbach' had been lost in 1916 while under orders from a British patrol yacht. The 'Edna', bought by an American firm in 1915, had been seized in 1916 by a British ship and had been placed in the Prize Court, whence she was released in 1919. The Court ruled that deterioration of the ship while in British hands should be made good but made no allowance for costs and damages. The Midland Linseed Products Company had while trading in Britain in 1917 sustained a loss of about £72,000 as a result of an order of January 1918 by the British Food Controller requisitioning all linseed oil cake in Great Britain at the maximum price fixed in November 1917.

Department to clear up a number of mutual claims between the two departments. These are now nearly at an end and I understand from the Admiralty that the Navy Department will owe the Admiralty about £100,000 on balance.

Before he left for America Mr. Vansittart wrote a minute on A 4692, dated September 10th last,¹ in which he suggested a line of action to be followed and from which I quote the following: 'At a later date, but preferably between the beginning of November and the reassembly of Congress on December 8th, we could intimate in Washington that the higher authorities here have been willing to "reconsider" an American bill of approximately £472,000 and at the same time we should put in a bill of our own for rather over £500,000. If the Americans reduce ours we will reduce theirs. This is the material for a "deal" on condition of a total and final extinction of every other claim.

'I shall be in America at the time and would be quite willing to devote part of my leave to this, but, on thinking it over, I am inclined to consider that it had, anyhow ostensibly, better be done through the Embassy, as being less likely to attract attention than by anyone apparently there for a special purpose.'

This procedure was approved by Sir William Tyrrell and Sir Victor Wellesley,⁴ subject to Treasury assent.

Before definite instructions could be sent to Mr. Chilton in regard to the line to be pursued at Washington, it seemed desirable to consult not only the Treasury but also the Admiralty, the Procurator General and the Board of Trade, who are all intimately concerned with these claims. As soon therefore as Mr. Broderick's report of October 22nd¹ had been printed and circulated amongst the departments concerned, and sufficient time had been given for them to form an opinion on its results, I convened an interdepartmental meeting in order to ascertain if possible to what extent we should ultimately be able to compromise on those claims to which we knew that the United States Government attached special importance. The meeting was held on the 15th instant and the record of the proceedings, so far as it has already been approved by those represented there, will be found below.¹ The main upshot of the meeting is that, in the opinion of the Admiralty and Procurator General, it will be extremely difficult for us to compromise on any of these cases, except possibly the 'Canadia' case, without raising serious questions of principle. In any case they think that if these delicate questions, raising complicated issues of international and prize law, are to be discussed with the Americans at all, the discussion should take place here between the competent departments and American representatives appointed *ad hoc*. The Treasury representatives concurred in this view. The general sense of the meeting was that in the first instance our Embassy at Washington should do no more than enquire whether the State Department had yet considered Mr. Phenix's report and ask unofficially for a list of claims which they really intended to press. Until we had that list we should be really working in the

⁴ Deputy Under Secretary of State for Foreign Affairs.

dark and the representatives of the departments concerned did not therefore think that instructions to open negotiations should at this stage be given.

I had of course fully explained to the meeting the reason why speed was necessary, i.e. the necessity of something being done before Congress reassembled on December 8th, but I am bound to admit that the discussion of these individual cases at the meeting disclosed the fact that serious issues were involved in almost every case under review.

It was arranged that instructions to the Embassy in the general sense agreed upon at the meeting should be submitted to the Secretary of State and to the various departments interested.⁵

R. L. CRAIGIE

⁵ No such draft instructions have been traced in Foreign Office archives. For the instructions sent see No. 500.

No. 498

Mr. Chilton (Washington) to Sir A. Chamberlain (Received December 7)
No. 1844 [P 1430/1160/150]

WASHINGTON, November 26, 1926

Sir,

The report of the Inter-Imperial Relations Committee¹ of the recent Imperial Conference declaring to the world that Great Britain and the overseas Dominions enjoy equal status as autonomous members of the British Commonwealth of Nations united in common allegiance to His Majesty the King has aroused widespread interest in the United States and is generally regarded as a momentous document marking the close of that chapter of history which opened with the Declaration of Independence.

2. Any attempt to gauge the reaction of American opinion to this State Paper must be preceded by the statement that the relations between the mother country and the overseas Dominions have long been a source of bewilderment to the people of this republic, who, whenever the word 'Empire' has been mentioned, have never been able to resist calling to mind two things: the despotic power wielded by ancient Rome through the might of her legions and the action of the American colonists in 1776 in rising to throw off the yoke of an exploiting monarch. Thus Americans as a whole have never quite been able to understand, in their heart of hearts, why Australians, Canadians and the rest, whom they credit with the same yearning for freedom and democracy (by which they really mean republicanism) as themselves, have been content for so long to abide by orders from London. Consequently, and while paying constant lip service to the similarity of the ideals animating the Dominions and the United States, Americans have

¹ The report of this Committee of Prime Ministers and Heads of Delegations of which Lord Balfour, Lord President of the Council, was chairman is printed in Cmd. 2768 of 1926, pp. 13-30.

never succeeded in ridding their dealings with the Dominions of a certain note of condescension, which has stung the latter into vehement protestations that they are free of 'Downing Street rule' and these, in turn, have immediately been interpreted in this country as the creaking heralding the rapid approach of the collapse of the imperial structure.

3. Opinion on the meaning of the Balfour Committee's report differs widely. In some quarters, but I think not in many, it is felt that the British Commonwealth has been endowed with a new lease of life; in others the impression prevails that the creaking stage has given way to the appearance of definite cracks; in others again the report is merely regarded as having put on paper what have already been actual facts for the last five or six years. The consensus of opinion appears to be that the statesmen of Britain, profiting by the never forgotten lesson of the American revolution, have wisely accepted the inevitable in the same manner as a father, after years of disciplinary control, watches his son evolve from youth into maturity and from maturity into independence. 'Grandmother England', writes the 'New York American', 'is growing old. The war tired her, with its killed and wounded, its billions of debts, with millions of unemployed and disastrous strikes following. The Dominions are young, strong and growing. Now each Dominion is made officially the equal of Great Britain. The colonies and Britain form an alliance, not an empire with Britain ruling. But the colonies are only officially Britain's equals. They will outgrow and dominate her in time and old England will come to be the European banking office and banking centre of brains in South Africa and Australia. But the old British mother still has the Britons, trained statesmen, great universities and thinking men. Those things mean Empire, whatever you may say officially.'

4. For once Mr. Hearst provides what is, I venture to feel, an accurate summary of American opinion upon a world event.

5. It may be of interest to add that opponents of the League of Nations have seized the opportunity to reiterate that now more than ever would it be unwise for the United States to join in an assembly of Powers with a British group possessing overwhelming voting strength in comparison to that which the United States would enjoy. In this connection I would refer to recent correspondence² in which I reported that certain elements in the Senate held the view that the objections raised by certain Dominions to the World Court reservations had been inspired by Britain.

6. It is generally anticipated that Australia, South Africa and New Zealand will not be slow in following the lead of the Irish Free State and Canada in appointing ministers in this Capital. It is, therefore, earnestly to be hoped that if, as appears probable, the overseas Dominions are henceforth to assume new and greater responsibilities, they will lose no time in laying the foundations of State services divorced from party politics. I use the word 'divorced' because of my impression that in Canada, where political conditions appear to approximate to those in this country and where the vote for the Washington legation only totals \$60,000, in Australia also and especially in South

² Not printed.

Africa, whose Trade Commissioner in New York, a member of the South African Nationalist party, lost no time in notifying the press that the Balfour report had been due entirely to the insistence of General Hertzog,³ the appointment of ministers to Washington will be political plums of great succulence. The Dominions will, I trust, benefit from the mistakes made by divers United States administrations in rewarding financially generous political adherents by consigning them to the glittering exile of a mission abroad.

I have, &c.,
H. G. CHILTON

³ Prime Minister of South Africa.

No. 499

Sir A. Chamberlain to Mr. Chilton (Washington)

*No. 1554 [A 6304/6/45]**

FOREIGN OFFICE, *November 29, 1926*

Sir,

Until I met Mr. Houghton at luncheon the other day I had not seen him since he left London in the summer, and as he is again leaving in the middle of next month to spend Christmas in the United States and I am leaving this week for Geneva, we arranged an interview for this afternoon.

The Ambassador said he had no instructions to speak to me on any question, but he enquired whether there was anything I should like to say to him or that he could usefully repeat at Washington. In response to this invitation, I expressed my satisfaction at the settlement of the Packers' claims¹ about which he had been very hopeless in the summer, and then added that Colonel Olds had made suggestions for a general settlement of outstanding claims between the two countries which His Majesty's Government were now considering.² I did not think that the suggestion could be accepted by us in the exact form in which it was made. Probably we should have to ask for the inclusion of some other claims in the list to be settled, and for some alteration in the declaration which it was suggested might be made; but these proposals appeared to me to offer a basis for settlement, and I hoped we should be able to develop them fruitfully.

I alluded also to the reply which we had decided to send to the American Government in regard to the reservations which the Senate had attached to their consent to the adherence of the United States to the High [*sic* ? Hague] Court.³ I told Mr. Houghton that I did not want to discuss the merits of

¹ See No. 484, note 4.

² See No. 496.

³ Sir E. Howard's note of December 23 communicating to Mr. Kellogg the decisions made at the conference referred to in No. 493, note 3, is printed in *Papers relating to the Foreign Relations of the United States 1926*, vol. i, pp. 30-38.

this question with him for I regarded the question itself as now settled, but I trusted that neither the President nor Mr. Kellogg would misinterpret the part which Great Britain had played in this matter. We believed that one of the Senate reservations had really been made under a misconception, and the line we had taken had been chosen as, in our opinion, the one most likely to clear up the misapprehension and lead to agreement.

The Ambassador then questioned me about the position in Mexico. Referring to statements which he had seen in the press, he enquired whether it would be true to say that the British oil interests had reached, or were in process of reaching, an agreement with the Mexican Government,⁴ and whether in that case His Majesty's Government were ready to accept any settlement so made without insisting on the question of principle involved in the Mexican laws. I replied broadly speaking that this was the case. I was not sure of the exact position of the negotiations, but His Majesty's Government were not likely to resist a settlement which satisfied the British interests immediately concerned. I was speaking, however, only from memory and I would ask Sir William Tyrrell to reply more precisely to his question so that I might be sure that I was not misleading him. Mr. Houghton said that my reply was very much what he expected, but he would not conceal from me that it might come as a considerable shock to his Government. Upon this I permitted myself to observe that our position was a difficult one; the American Government did not encourage interference by European Powers in the affairs of the American continent, and we had to do the best we could with the means available to secure reasonable treatment of British interests.

Finally, the Ambassador asked me about China. I told him that the situation there was causing grave anxiety to His Majesty's Government. I admitted that I had been throughout seriously disquieted by the course which

⁴ By the Petroleum and Alien Land Laws of December 1925-January 1926 all mineral fuels in Mexico were nationalized and foreigners were prohibited from owning land or exploiting mines unless they surrendered their rights to invoke the protection of their governments in any dispute which might arise. In April 1926 Mr. Kellogg agreed to a suggestion by H.M. Embassy at Mexico City that the interested governments should, while tacitly permitting the oil companies to make their own arrangements, reserve their right to express disapproval of the legislation, and in a note dated October 30, 1926 (printed *op. cit.*, vol. ii, pp. 669-70), the United States Government registered a formal protest to the Mexican Government on the grounds that its legislation was retroactive and hence contrary to previous agreements. In Foreign Office telegram No. 111 to Mexico City of December 9 and after consultation with representatives of the Mexican Eagle Co. Ltd., Mr. Ovey, H.M. Minister at Mexico City, was instructed to try to obtain the consent of the Mexican Government to the modification of those clauses in the petroleum legislation which were particularly injurious to British oil interests. Although by a resolution communicated to the Mexican Government on December 28 the principal oil companies in Mexico refused to accept the Government's conditions with regard to the renegotiation of concessions, no legal action was taken against them after the expiration of their concessions on December 31, 1926. On January 3, 1928, the President of Mexico approved the amendment of articles 14 and 15 of the Petroleum Law in which the most contentious clauses were contained. For an account of the events following the enactment of these Laws see *Survey of International Affairs 1927*, pp. 456-67.

the Tariff Conference⁵ had taken, and by the effect which I had feared that course might have upon the safety of the customs administration—a fear which now appeared to be in course of realisation. I alluded to the memorandum of our views which had been communicated to the American Government,⁶ but which had not appeared to find much favour in their eyes. The Ambassador suggested that I was slowly coming to the conclusion that it was impossible to maintain unity of action, and that it would be necessary for Great Britain to seek protection for her own interests by making the best conditions that she could, very much as he supposed the British oil interests to be doing in Mexico. I replied that I had taken no such decision, but that I must confess that I did not see much evidence of that unity of policy and co-operation among the Powers which he seemed to assume. Unity of action, as it seemed to me, had consisted so far in our surrendering our judgment to that of the other Powers, with consequences equally disastrous for us all; but I had not seen any indication that the American Government was inclined to associate its own interests with those of other Powers, or to co-operate in defence of any other Power whose treaties were denounced or whose trade was attacked. The Belgian treaty, for example, had been denounced by the Chinese,⁷ but the only indication of Washington policy that I had seen was a statement by the spokesman of the White House that the American treaty was couched in different terms and that the United States were unaffected by the Belgian case. The Japanese treaty had also been denounced. The American came next; our own stood last.⁸ If there were any question that I should like to put to the United States Government, it would be what was their policy in China? I had almost said: whether they had any policy in China. However, these, I said, were merely the thoughts that passed through my mind. I repeated that I had no policy to propound to him at this moment and no proposals or suggestions that I wished him to carry to Washington.

I am, &c.,

AUSTEN CHAMBERLAIN

⁵ For an account of the Conference held at Peking from October 1925 to July 1926 at which the states signatory of the Nine Power Treaty signed at Washington in 1922 (see Cmd. 1627 of 1922) discussed the Chinese Customs Tariff see the Appendix, pp. 951–2, and *Survey of International Affairs 1925*, vol. ii, pp. 370–6.

⁶ The reference is presumably to the memorandum of May 28, 1926, subsequently communicated to the representatives at Peking of the Washington Treaty Powers as an annex to the British memorandum of December 18, 1926: see No. 318, note 3.

⁷ See No. 345, note 5.

⁸ The Chinese Government had on October 20, 1926, presented a note to the Japanese Government demanding a revision of the Sino-Japanese Commercial Treaty of July 21, 1896 (printed in *British and Foreign State Papers*, vol. 88, pp. 473–80). The Chinese treaties with the United States and Great Britain, signed at Tientsin on June 18 and June 26, 1858, respectively, are printed *op. cit.*, vol. 48, pp. 606–16 and 47–58.

*Sir A. Chamberlain to Mr. Chilton (Washington)**No. 267 Telegraphic [A 6117/6/45]**Important*FOREIGN OFFICE, *November 30, 1926, 4 p.m.*Your telegrams Nos. 278¹ and 279.² Following for Vansittart:

Our general position is that all the claims mentioned in Mr. Broderick's two reports³ either have been equitably settled or have no intrinsic merit, or the appropriate remedy is still open to the claimants by legal proceedings in this country. We do not see why we should be asked to treat United States claimants differently from others or why these claimants should not proceed to make good their cases for which we would give them every facility. If nevertheless the United States Government desire to make a general settlement out of court without recourse to legal proceedings and will undertake to indemnify us against legal action by any claimants thus dealt with, we are quite willing to consider such a proposal. But the basis suggested, which involves a payment by us of £500,000 and leaves us with liability for any private claims established in law (plus Swedish Ore claim) is clearly out of the question. To be acceptable for us the United States suggestion would need to be amended on the following points:

(1) In view of the fact that such a very large number of claims have been eliminated or have lapsed and of the inflated nature of some of those that remain, we think that the £400,000 asked from us is far too high a figure. We would accept figure of £200,000 or even £250,000 in order to arrive at a speedy and amicable settlement. Fortunately such reduction can be obtained without radically altering the basis suggested. The amount due by United States Shipping Board on the Wages claim is probably about to be settled by [? being] set off against a claim of similar amount due by us to Shipping Board for use of Uruguayan ships and only any net balance due to His Majesty's Government by United States Shipping Board need be taken into account (see my telegram No. 271⁴ of November 29th). Admiralty have pressed that a repayment of £40,000 due by Navy Department in respect of an account for gasolene paid prematurely should be set off against £75,000 due to Navy Department by Admiralty; on this assumption the amount due by Navy Department is between £250,000 and £230,000 to Admiralty and £20,000 to shipping Liquidation Department or total of between £270,000 and £250,000. We would agree to waive this total provided Navy Department also waives the amount of £35,000 due to them by Admiralty, making net total waived by His Majesty's Government £215,000 to £235,000 plus net balance due by Shipping Board to Shipping Liquidation Department.

Alternatively, if it is desired to work to a larger figure, we would agree to £400,000 for claims to be met (a) by waiver of net claims as above and

¹ No. 496.² See No. 496, note 2.³ These reports of August 17 and October 22, 1926, are not printed: cf. No. 497.⁴ Not printed. This telegram stated that the differences between these claims had been reduced to a net balance of £20,000 claimed by His Majesty's Government.

(b) by a cash payment of £150,000 out of Swedish Iron Ore money, to which money the United States Government would renounce any further claim. You will observe that their text (see your telegram No. 279) implies that as part of the settlement they waive Iron Ore claim but we are not clear how far this is intended. Outstanding amount including proceeds of future sales is estimated at somewhat over £200,000 (not £300,000 which is out of date owing to fall in prices). If on the other hand our payment in respect of the American claims as a whole is reduced to approximately £200,000 we should be content to pay over the United States share of these Iron Ore proceeds as they accrue. There are thus two alternative methods of reducing the figure without interfering with the structure of the scheme.

2. We cannot agree both to pay United States Government as proposed and also to risk paying a second time on the same claims as a result of Prize Court actions or other legal proceedings in this country. This surely cannot have been the intention. We propose therefore that amount due by Navy Department should be paid into a fund (suspense account) that should be held jointly and remain intact in any case for six months and, in the event of the initiation of Prize Court or other legal proceedings within the six months, for a further period sufficient to allow for the final conclusion of such proceedings; and that any payments made by us to American nationals or Departments in virtue of Prize Court or other legal proceedings in cases initiated within the time limit set out below or otherwise covered by this settlement should be repaid to His Majesty's Government out of this fund and that the balance should then be paid over to the United States Government. It would be a condition that United States Government should take steps to secure that the individual claimants will initiate Prize Court or other proceedings within six months if it is their intention to initiate such proceedings at all, it being understood that claims whether by reserved claimants or others would not at any time receive diplomatic support of United States Government.

As regards time limits, it does not seem reasonable to ask His Majesty's Government to agree not to plead any statute of limitation which may be available in legal proceedings taken against them by claimants hereafter. An undertaking not to do so would put American claimants in a privileged position and give them advantages not enjoyed by British subjects or other allied or neutral claimants. In cases indeed which fall within the scope of the Indemnity Act, 1920,⁵ it would be impossible to give such an undertaking without legislation to amend the Act, and there is no prospect that Parliament would be willing to pass legislation of this kind.

The question does not seem, however, to be of any great practical importance from the American point of view. The great bulk of the claims are such as it would be within the jurisdiction of the Prize Court to determine, and there is no statute of limitations applicable to Prize Court proceedings, though it is open to the Crown to plead laches on the part of a claimant as a

⁵ This act of August 16, 1920, is printed in *British and Foreign State Papers*, vol. 113, pp. 180-6.

reason for not entertaining his claim. His Majesty's Government would be quite prepared to agree that no such plea would be urged in any case entered in the Prize Court within the six months which it is suggested that claimants should be allowed for the purpose of putting forward their claims.

3. Standard Oil Company's claim for damage in Roumania has been repeatedly rejected after the fullest consideration on the ground among others that any claim which there may be is a claim by a Roumanian national against the Roumanian Government. We see strong objection to a special exclusion by name of this claim in the proposed arrangement. We should prefer that no mention of it at all were made, but if necessary would agree to a separate document stating that, as we consider there is no question of a claim against the British Government, we agree that the matter is quite apart from the settlement of American claims against the British Government and is not affected by any such settlement.

4. The question of inventors' claims requires special consideration: (see correspondence ending with my telegram No. 162⁶ of July 30th). Formula proposed in your telegram No. 279 does not in our view involve the abandonment of these claims which are of course not due to loss or damage through war measures, but this point should be clearly understood on both sides. Moreover, we cannot deprive these claimants of their right to compensation, and, if as the result of the proposed settlement, the United States Government were relieved of liability they would have to be paid by His Majesty's Government; but His Majesty's Government are not in a position to assess the amount fairly due, because it must depend in each case on the use made by the United States authorities of the invention and its importance to them. On this question His Majesty's Government have no information.

⁶ Not printed. This telegram referred to a note to the United States Secretary of State relating to the settlement of claims presented by British subjects whose inventions, both patented and unpatented, had been used by the United States Government during the war. This note, which was despatched on July 7, stated, with respect to patented inventions, that H.M. Government had observed 'that British patentees are already entitled to address themselves to the United States Court of Claims. In these circumstances His Majesty's Government, on mature consideration, are of opinion that unless a commission could ensure a more expeditious means of settlement than that afforded by the Court of Claims, it would be superfluous to confer jurisdiction over claims relating to patented inventions upon such a body, either as a substitute or as an alternative to existing procedure . . . it might be more conducive to the speedy adjustment of claims relating to patented inventions were the United States Government to agree to their reference to an arbiter appointed by the President.' This arrangement, with respect to the claims of German inventors, had been contemplated in the bill introduced into Congress on March 29, 1926, providing for the return of enemy property seized by the Alien Property Custodian and the payment of American claims to Germany. The British note further inquired 'whether the United States Government are prepared in principle to admit the validity of claims relating to inventions not covered by patents and if so what procedure they propose to adopt to enable their adjustment to be effected' and stated that the recognition of this principle 'should, in the opinion of His Majesty's Government, be applied retrospectively'. Claims in respect of inventions used by the other government in connexion with the prosecution of the war were specifically excluded from the Anglo-American Agreement on blockade claims signed on May 19, 1927: cf. No. 503, note 2.

The United States should undertake to set up a tribunal to assess these claims and to pay the awards.

5. The claims on either side for release of property by custodians of enemy property are in a fair way to settlement and should be excluded from the proposed agreement.

6. The proposed agreement should not affect the fulfilment of the recent arbitration decision in respect of five D.A.P.G. tankers.⁷

7. The agreement would not apply to claims by or against the governments or inhabitants of the self-governing Dominions and India.

8. The proposed agreement is understood to deal with claims of the nature specified arising out of, or connected with, the war since August 1914, up to a date yet to be fixed. It must be made clear that ordinary current services liabilities otherwise arising with no reference to the war are not included, for example, services rendered by British Admiralty to United States war ships.

9. We presume that arrangements will take the form of an exchange of notes which will not require Congressional sanction. Wording of notes will be important especially in regard to sentence which is to operate in bar of claims, and we should wish to have a sufficient opportunity of considering wording proposed before you definitely accept it.

⁷ For correspondence arising from the rejection, by majority decision of the tribunal set up by the Reparation Commission in 1921, of the claim of the Standard Oil Company to possession of these tankers originally owned by the Deutsche Amerikanische Petroleum Gesellschaft, see *Papers relating to the Foreign Relations of the United States 1926*, vol. ii, pp. 166-202.

No. 501

Mr. Chilton (Washington) to Sir A. Chamberlain
(Received December 6, 1.10 p.m.)

No. 293 Telegraphic [A 6394/6/45]

Immediate

WASHINGTON, December 6, 1926, 1.30 a.m.

Following from Mr. Vansittart.

Prolonged meeting with Mr. Olds took place today.¹

We agreed that negotiations should be as open and informal as my recent dealings with General Andrews² and that neither side would as bargaining manoeuvre put forward pretensions not seriously intended.

I began by clearing away all subsidiary points mentioned in your telegram No. 267.³ You will see from my immediately following telegram⁴ that these

¹ This telegram was presumably drafted on December 5. See *Papers relating to the Foreign Relations of the United States 1926*, vol. ii, pp. 294-6, for Mr. Phenix's record of this meeting.

² For a joint report by General Andrews, Assistant Secretary of the United States Treasury, and Mr. Vansittart on discussions held in London in July 1926 with regard to liquor smuggling see *ibid.*, pp. 350-4. Cf. No. 474, note 6.

³ No. 500.

⁴ Not printed. This telegram of December 5 transmitted the text of the suggested formula printed *ibid.*, pp. 301-2.

have been carried as desired. (I shall see him again tomorrow on question of eventual legislation respecting reciprocity in matter of inventions and liability of United States government to suit in regard to collisions as also on post office claim⁵ etc. Harmonious and cordial negotiation encourages hope that these matters will be seriously taken up though they cannot be put through before my departure.) Standard Oil Company's case will be dealt with in separate document as you desire. D.A.P.G. tanker[s] will be similarly disposed of.⁶ As regards paragraph 8 of your telegram this is entirely outside scope of present agreement and is clearly so understood by State Department. As regards laches you will see that I have avoided going to the length you contemplated in last paragraph [of] (2) which would anyway only have been applicable in connection with paragraphs one and two of (2) with which I shall deal later. We do not plead laches as bar to suit but are perfectly free to do so in defence. Our position is intact as regards laches as also in respect of all matters covered by paragraph three (2). In these circumstances time limit is unnecessary and even disadvantageous: the longer the delay the more effective our plea. I have frankly and fully discussed with United States representatives question of purpose of fund. The[y] fully appreciate the reason and . . .ness of your position that sum renounced should not be used to satisfy unmeritorious cases and meritorious ones passed to our courts. At the same time they see insuperable objection to your suggested suspense account: objections from their *point of view* are indeed so obvious that I need not detail them in a telegram.

I have suggested, seeing the impossibility of agreement on suspense account, that desired assurance might be obtained by private note confirming identity of our understanding. Their difficulty would be this: they would probably be charged with secret diplomacy. Senate might demand all correspondence dealing with negotiation and conclusion of agreement. While such correspondence could be withheld if its production where [*sic*] 'contrary to the public interest', such reason would not justify suppression of the collateral agreement suggested and if produced to Senate it would defeat the very purpose which the main agreement is intended to serve.

Listing of any particular cases as 'meritorious' or as entitled to preferential treatment from 'insurance fund' would commit department, if known, to a rejection of others as non-meritorious. This would seem to be a pre-judgment

⁵ i.e. a claim by the General Post Office in respect of charges for parcels sent to Great Britain from the United States, 1919-24, in excess of the number provided for in the Anglo-American Parcel Post Agreement of 1905 (printed in *British and Foreign State Papers*, vol. 98, pp. 108-12).

⁶ In a note of May 19, 1927, in connexion with the notes exchanged that day (see No. 503, note 2) Mr. Kellogg informed Sir E. Howard: 'I desire to confirm our oral understanding to the effect that nothing in that agreement affects either the question of the German tankers, which has been and is the subject of negotiation with the Reparation Commission, or the claim which has been advanced by the Government of the United States in respect of the destruction of oil wells and other property situated in Roumania and belonging to the Romana-Americana, a subsidiary of an American corporation.'

⁷ The text is here uncertain.

of cases after a purely *ex parte* examination and expose department to serious criticism.

In these circumstances other means must be sought for recording our common view. We suggest the following:

United States government authorise me to inform you that their understanding of purpose of this agreement is and always has been identic with yours. They had not specified application of fund but had taken it for granted that it would so far as possible be used for extinction of 'meritorious' cases and readily assure us that they will in all good faith use their best endeavours to this end. They would regard this assurance as constituting a gentleman's agreement, repeating—and I am satisfied of their entire sincerity—that they have no desire or intention of making any money but share in all respects my view of my mission as aiming not at finance but amicable and unostentatious removal of a possible political trouble.

On all other points complete accord has been established and I earnestly recommend that this assurance be accepted. To have cleaned the slate and definitely got rid of any question involving validity of blockade is, I submit, worth renunciation of £200,000 odd without cash payment. I should add in fairness to United States government that such was the spirit of friendliness in the negotiation that they voluntarily offered to forego cash payment before I asked them to do so and when owing to a misconception they understood it to involve a considerably larger sum than that which as I explained I should have had under my instructions to require. United States government have honourably bound themselves to do their utmost to use small sum relinquished in the manner we both contemplate and I shall suggest to Mr. Olds before leaving that continued collaboration of Broderick and Phenix will be most useful in this respect. Chance of application to Prize Court is minimised and integrity of our defences together with our cases make our position one that I trust can be contemplated with equanimity. My own feeling is that we cannot expect to do better and could hardly have expected to do so well at any time during the past year.

As regards figures, terms of your telegram No. 281⁸ have been secured *in toto*. I should however add that State Department's estimates of sum due from Navy Department are slightly higher than figures quoted in your telegram No. 281 but we assume that your figures are accurate and final. Consequently since State Department are willing to waive sum of 172,534 dollars (or £35,501 if dollars are converted at par) nett sum we waive is £211,274. It should be added however that although your telegram No. 271⁹ indicates that our claims against United States government in respect of ex-German vessels (wages claim) would be entirely off-set by American

⁸ This telegram of December 3 stated that, according to the agreement which had just been reached between representatives of the United States Navy Department on the one hand, and of the Admiralty and Shipping Liquidation Department on the other, there remained, after subtracting \$172,534 owed by the Admiralty, '£212,775 as total nett amount to be waived by His Majesty's Government in respect of claims against *Navy Department*.'

⁹ See No. 500, note 4.

counter-claims in respect of sub-charter of Uruguayan ships and although this was confirmed verbally by Coudert,¹⁰ State Department have for the purpose of their contingent fund credited us with balance of 160,000 dollars under head of ex-German vessel claims. Their estimates under this head are as follows:—

(A). payable by His Majesty's Government in respect of Uruguayan vessels 570,000 dollars.

(B). payable to His Majesty's Government for wages and subsistence of crews detained in New York while ex-German vessels were held up by shipping board 500,000 dollars.

(C). payable to His Majesty's Government in respect of transportation expenses incurred in sending crews over to bring ex-German vessels to Britain, 230,000 dollars.

These figure show a nett balance of 160,000 dollars due. Item (C) would be payable not by the shipping board but by the United States War Department who under the Treves agreement¹¹ were obliged to deliver ships in British ports. State Department by including this item in their calculations do not necessarily accept the liability it represents and we assumed Shipping Liquidation Department had abandoned this particular claim. In any case the State Department have gone on the assumption that any such possible balance coming to Shipping Liquidation Department would be renounced. They will use any such possible balance to dress their window as also sums mentioned in your telegram No. 276 representing claims (already dropped by us) for reconditioning and for speculative loss of earnings.¹²

We on our side should have nothing but £211,274 to explain eventually. How United States Government may ultimately desire to dress *their* window does not concern us. Our answer if ever necessary to any question raised by such dressing is that any amounts beyond above-mentioned sum had been already dropped on their merits. We need not cross other people's golden bridges which are an internal traffic problem.

Negotiations have concluded, late last night. Mr. Olds has informed the Secretary of State who endorses and approves his action.¹³

Confidential. Mr. Phenix informs me that so far as State Department is concerned no mention will at present be made of this agreement except that the Secretary of State will inform President. No public allusion to agreement will take place until the State Department has completed its examination of possible claims and transmits to Congress recommendations for the payment thereof. This may not occur for as much as a year. It will therefore be

¹⁰ Mr. Frederic R. Coudert, legal adviser to H.M. Embassy at Washington during the war and a member of Coudert Bros., a New York firm of lawyers.

¹¹ The convention of January 16, 1919, between the Allied and Associated Powers and Germany prolonging the Armistice Agreement of November 11, 1918, is printed in *British and Foreign State Papers*, vol. 112, pp. 896–9.

¹² The sums of £450,000 and £200,000 mentioned in this telegram of December 1 related to previous British claims in respect of ex-German passenger vessels held up in New York.

¹³ See *Papers relating to the Foreign Relations of the United States 1926*, vol. ii, p. 296.

highly . . .⁷ for any intimation of the agreement to reach the public prematurely. I would accordingly urge that nothing should be divulged on our part without previous agreement of United States government and that this should be impressed on other government departments who have taken part in the discussions in London. This course is in the obvious interest of both parties.

No. 502

Sir E. Howard (Washington) to Sir A. Chamberlain
(Received December 30, 9 a.m.)

No. 332 Telegraphic [A 6903/6/45]

Confidential

WASHINGTON, December 29, 1926, 1.5 p.m.

At interview with Secretary of State on December 24th I expressed my satisfaction at conclusion of agreement regarding war claims.¹

Secretary of State agreed that this was very satisfactory, but said he must, of course, first get the President's sanction before notes embodying the agreement could be exchanged, and that he must also square Senator Borah, not only on account of the latter's Senate resolution on the subject, but also because it would be necessary to get an appropriation from Congress to pay 'meritorious' American claims.

I asked if I was to understand that he must arrange matters with Senator Borah before I sent in our note, and he replied, 'yes'.

In order to make sure before telegraphing this to you of the exact implications of this apparently new development I asked Mr. Broderick to find out from Colonel Olds what exactly was in the mind of the State Department.

Olds explained that Secretary of State had not yet had time to make himself thoroughly familiar with the details of the arrangement, which he would have to do before discussing it with the President. This was the real cause of delay. It had not yet been decided whether or not it would be indiscreet to take Senator Borah into the confidence of the department, but he believed that Mr. Kellogg was inclined to do so and the President might also desire Senator Borah to be informed of the arrangement before notes were exchanged, because they had learned from long experience that Senator Borah usually made more trouble about things he was ignorant of than about things on which he was accurately advised.

Olds added that he did not anticipate that this private explanation to Senator Borah, which was all that was contemplated, would raise any difficulty, but if a difficulty should arise, he would immediately inform us.

¹ Washington telegram No. 313 of December 13, not printed, had transmitted to the Foreign Office a draft text of the note to be addressed by the United States Government to His Majesty's Government which was substantially the same as that printed *ibid.*, pp. 304-6. An amendment proposed by the Foreign Office in telegram No. 302 to Washington of December 18 to safeguard the British position in respect of 'meritorious' claims was accepted by the United States Government (see *ibid.*, p. 307).

Mr. Broderick said that consultations with the Senator meant that agreement would have to be approved by him in detail, or if it involved reservations of any kind an entirely new situation would be created, and the same observation would apply with even greater force if any question arose as to ratification by the Senate, which it was understood the solicitor of the State Department had advised.

Mr. Broderick also urged strongly that agreement should be concluded without Senator Borah's concurrence because he believed that the latter might feel that a part of the responsibility would rest on his shoulders if he approved of it in advance.

No. 503

Sir A. Chamberlain to Sir E. Howard (Washington)

No. 311 Telegraphic [A 6904/6/45]

Important

FOREIGN OFFICE, *December 31, 1926, 5.10 p.m.*

Your No. 333 of 29th.¹ Claims agreement.

It would seem to me highly inexpedient that you should (a) tender any advice as to consulting Senator Borah or (b) allow yourself to be made a party in any such consultation.

Agreement having been reached with State Department we must look to it to secure the necessary assents by whatever methods it thinks appropriate. It would surely be a great mistake for us to assume any responsibility in what is the purely domestic concern of the United States government. But Mr. Broderick was right to point out that any attempt to go back on the agreement or to alter its terms would produce most deplorable impression here and might well make any friendly solution impossible. This as it seems to me is the only point for you to emphasize at this moment.

I feel it right at once to express to you my strong conviction on these points.²

¹ Not printed. In this telegram Sir E. Howard suggested that he might meet Senator Borah and 'give him quite frankly any necessary explanations supposing always that the President decides in favour of consulting him beforehand'.

² The notes between the United States and British governments embodying the claims agreement (Cmd. 2877 of 1927) were not exchanged until May 19, 1927. The U.S. Secretary of State told Sir E. Howard on February 2 that the delay was due to pressure of other affairs which prevented him from putting the agreement before the President, who, in an interview with H.M. Ambassador on March 18, 'promised he would give it early and earnest personal consideration'. On April 21 Mr. Kellogg informed Sir E. Howard that he hoped soon to give him a reply and that the arrangement 'seemed to him excellent and satisfactory settlement'. For the statement issued to the press by both governments on June 1, 1927, see *The Times*, June 2, 1927, p. 15. In his despatch No. 1050 of June 3, Sir E. Howard stated: 'I cannot conceal my own feeling of gratification that the principle of the blockade has been protected from effective challenge by the Government of the United States, and that a fruitful source of possible misunderstanding between the two countries has been finally removed.' See also *Papers relating to the Foreign Relations of the United States 1927*, vol. ii, pp. 745-55.

APPENDIX

Statement made by Sir A. Chamberlain to the Imperial Conference on October 20, 1926

[*W 10019/1/50*]*

1923-1926: A contrast

Three years ago almost to a day the late Lord Curzon delivered to the last Imperial Conference a masterly survey of the foreign relations of His Majesty's Government. It was a gloomy picture that he drew of 'two years packed with incidents, crises, alarms and excursions, even with tragedies.' In Europe there was scarcely a single State which was not in a position of some unrest and where British interests were not actively and sometimes perilously involved. Quoting General Smuts,¹ Lord Curzon observed that we could not, even if we would, extricate ourselves from the entanglements of our duty and our destiny. 'We are in the centre of a great world whirlpool, and we are affected by every movement of its waters.'

At the close of his speech Lord Curzon dealt particularly with the European situation. He described France, still boiling with the memories of the war and the terrible sufferings of her people, as determined to crush and effectively destroy all chance of Germany's recovery by pressing for payments which could never be recovered, imposing conditions which could not be satisfied, sacrificing future advantages for the sake of momentary triumph, and sowing the seeds of certain retribution in the future. Belgium, nervous, irresolute and vacillating, was being dragged unwillingly at the heels of France. Germany, hopelessly defeated, conscious of her impotence and thinking of future revenge, was making every conceivable blunder in dealing with the Allies. Ourselves Lord Curzon justly described as a people very war-weary, longing for peace on almost any terms consistent with honour, anxious to set things straight, willing to make the greatest sacrifices financially or otherwise in order to secure that end, but baffled at every turn by the shortsightedness, not to say treachery, of some of our neighbours and by the obstinacy or stupidity of others.

October 1923, the date of this address, was perhaps the darkest moment in the history of Western Europe since the conclusion of the war. The period between January 1920 and October 1923 had been one of unceasing friction between the Allies and Germany, and even, as a result, between the Allies themselves. Some twenty or more international conferences had by that time been held to deal with the difficulties and disputes arising out of the execution of the Treaty of Versailles. Demand after demand was made upon Germany, whose general attitude was one of sullen recalcitrance. Relations between France and Germany and between France and her allies had been strained almost to breaking point by the temporary occupation of Frankfort in 1920. In March 1921 the Allies, in consequence of

¹ Prime Minister of South Africa, 1919-24.

German obstruction and bad faith, had applied rigorous economic sanctions to the Rhineland and jointly occupied the Düsseldorf bridgehead. When the Imperial Conference met in 1923 this bridge-head was still occupied by French and Belgian forces and, in addition, the French and Belgian Governments, acting independently of and in opposition to His Majesty's Government, were in occupation of the Ruhr and of various small strips of German territory on the right bank of the Rhine in excess of the area occupied in virtue of the Treaty of Versailles. Normal industry and commerce in the Ruhr and Rhineland was at a standstill. The French were feverishly trying to restart it and reorganise it under their own control. They were just beginning also their desperate and ill-judged attempt to foist a Separatist Government upon the occupied areas. Germany, an outcast in Europe, threatened with economic ruin and financial disaster, political disintegration and civil war, was practically at her last gasp, and by her desperate plight was a danger not only to her immediate neighbours, but to Europe as a whole.

To recall even thus briefly Lord Curzon's dark, but not unduly darkened, picture of Europe three years ago is sufficient to mark how greatly the intervening years, and especially the last two, have changed the situation for the better. Progress has met with many difficulties; often it has received a set-back, but a growing sense of what was necessary in the common interest and a wiser statesmanship both in France and Germany have triumphed over passion and prejudice, and it can now be asserted definitely that the clouds which have overhung Europe for so long are lifting perceptibly. They have not been wholly dispersed—far from it. There are danger spots in many quarters and in others the present calm may be but transitory. Nevertheless, I think no one could deny the fundamental improvement which has taken place or fail to derive encouragement from the results already obtained; and as I proceed with my survey you will see, and I hope agree with, the grounds on which I base my hopes of the future.

The problem and its solution

In a speech which he made at the beginning of March 1925, Lord Grey of Fallodon, than whom there is no greater authority in the domain of foreign affairs, observed that security was the master key to the difficult problems of Western Europe. No French Government would dare to give up pledges that it held until it felt there was security for France greater than or at least equal to those pledges. The only guarantee against future German armaments was some security for Germany more attractive than armaments could give her. In a speech which I made the following night in the House of Commons I expressed my entire concurrence with Lord Grey's view. I said that no one could occupy the position of Secretary of State for Foreign Affairs and not feel that the dominant factor in Europe was the sense of insecurity which reigned everywhere among victors and vanquished alike. No real progress would be made until we could somehow relieve the oppressive fears which haunted the councils of statesmen and darkened the homes of the poor and humble in every continental land, until we could give that measure of security and stability to Europe upon which all progress in human affairs, all recovery of natural life and all commercial and economic prosperity must depend.²

² See *The Times*, March 5, 1925, p. 11, for a report on the speech by Lord Grey (Secretary of State for Foreign Affairs, 1905–16) on March 4, 1925. For Sir A. Chamberlain's references to this speech see *Parl. Debs.*, 5th ser., *H. of C.*, vol. 181, cols. 707 and 714–15.

This, then, was the problem in European policy which confronted His Majesty's present Ministers when they took office two years ago. How could we give that sense of security to France on which alone there could be built her reconciliation with Germany? How bring back Germany into the comity of nations and deprive her not merely of the present power but of the future will to wage a war of revenge? Unless we could achieve this purpose, unless we could make life tolerable for Germany in her new conditions, Europe would move, was indeed already moving, slowly but inevitably, to a new catastrophe and dragging with her to misfortune the whole world. We believed that the power of Great Britain rightly applied and supported by the authority and influence of the British Empire could avert this calamity. We knew that nothing else could, and we set to work at a task which seemed a plain duty to civilisation and humanity.

This decision, steadfastly pursued through two years of anxious and often difficult negotiations, found its reward in the Treaty and separate Accords of Locarno.

What is the chief significance of Locarno? To my mind it is the reversion to peace mentality, and for that reason I have always regarded the spirit of Locarno as more important than the treaties themselves. It is scarcely an exaggeration to say that it has already changed the face of Europe, and that all the problems with which Lord Curzon dealt wear a new and more hopeful aspect since that fateful conference brought its labours to a successful conclusion. But I must add that if this change dates from Locarno, the movement was begun towards the close of Mr. Baldwin's first Ministry,³ and received a marked impetus when my predecessor guided to a successful issue the London Reparation Conference, and so took out of the political arena one of the thorniest problems that had been vexing the councils of Europe since the war. The situation which existed when the last Imperial Conference met had thus already improved when His Majesty's present Government came into office. The Dawes plan was in operation, and one of the main obstacles to peace had been removed.

The Treaty of Locarno

I do not propose to weary you with an account of the lengthy negotiations which led up to Locarno. Let us, however, consider the Locarno treaties themselves. The only one which concerns us directly is the Treaty of Mutual Guarantee between Germany, Belgium, France, Great Britain and Italy. By this treaty the signatory Powers severally and collectively guarantee:

- (a) The territorial *status quo* resulting from the frontiers between Germany and Belgium and Germany and France;
- (b) The inviolability of those frontiers: and
- (c) The demilitarisation of the Rhineland.

The way in which this guarantee operates is as follows: France and Belgium on the one side and Germany on the other undertake not to go to war with one another except in self-defence or in circumstances where the Covenant of the League already permits resort to war. The right to go to war which the parties possessed before the Treaty of Locarno is restricted in two ways. The Treaty of Versailles entitled France to make war on Germany if Germany violated, even in the smallest particular, the provisions of articles 42 and 43 of that treaty. The Treaty of Locarno, on the other hand, limits this right of France to the case of a

³ May 1923 to January 1924.

flagrant breach of articles 42 or 43, which is defined as the case where the breach constitutes an unprovoked act of aggression and where immediate action is necessary *on account of the assembly of armed forces in the demilitarised zone*. The second restriction concerns paragraph 7 of article 15 of the Covenant of the League. By that paragraph, if a dispute comes before the Council and the Council cannot agree, the members of the League may take such action as they think necessary for the maintenance of right and justice. Now, according to the Treaty of Locarno, France, Belgium and Germany can only legitimately attack each other in virtue of this paragraph *if the other has already made an attack*. As a corollary of this undertaking not to resort to war, France and Germany and Belgium and Germany enter into comprehensive engagements to settle all causes of difference by peaceful means. The technical details of these engagements are contained in separate conventions signed simultaneously with the main Treaty of Locarno.

The articles of the main treaty which particularly affect Great Britain are Nos. 4 and 5, which describe the operation of the guarantee. If, without resorting to illegitimate war, France, Belgium or Germany refuse to observe the terms of the arbitration conventions into which they have entered, the matter is to be brought before the Council of the League, and Great Britain, as one of the guaranteeing Powers, undertakes to take whatever steps the Council may propose. Any allegation that France or Belgium on the one side or Germany on the other has resorted to illegitimate war against the other is to be brought at once to the notice of the Council. If the Council upholds the allegation, Great Britain is bound to go immediately to the assistance of the Power attacked. Nor is she bound to await the decision of the Council if she herself is satisfied that the allegation is correct and that immediate action is necessary *by reason of the assembly of armed forces within the demilitarised zone*. In the latter case, however, the matter is still not taken out of the hands of the Council. The decision of the Council is merely anticipated and Great Britain, like the other guarantors, is bound to comply with the Council's ultimate finding.

A settlement on Germany's eastern frontier similar to that on the western frontier was not possible, for Germany, whilst willing to renounce war as a means to obtain a revision of her eastern frontiers, was not willing to abandon the hope of some day changing by peaceful means the existing territorial settlement in the east, and Great Britain could not assume any new obligations in that quarter. Yet to have made no provision for security in Eastern Europe would have increased the fears of the border States and encouraged the party of revenge in Germany. The difficulty was eventually overcome by the signature of treaties of arbitration between Germany and Poland and Germany and Czechoslovakia, analogous to the arbitration conventions between Germany and Belgium and Germany and France. Side by side with these treaties, guarantee treaties were signed between France and Poland and France and Czechoslovakia, by which, if Germany failed to observe the provisions of her arbitration treaties *and coupled such failure with resort to war*, the parties would reciprocally assist each other. These guarantee treaties were so worded that any assistance rendered under them would fall within article 16 or article 15, paragraph 7, of the Covenant of the League of Nations. In fact they limited the previous obligations of France to her allies and of her allies to France in a manner analogous to that in which the main treaty limited the rights of France under the Treaty of Versailles.

Great Britain has undertaken fresh obligations by the Treaty of Locarno, but it is scarcely possible that her obligations could be more narrowly circumscribed to

circumstances in which we have an actual vital interest. Outside the Rhineland our obligations remain exactly what the Covenant made them. Only in the Rhineland have we assumed an additional or rather a more definite obligation. Before the Treaty of Locarno we might have been called upon, both by our membership of the League of Nations and our participation in the Treaty of Versailles, to intervene in any struggle which broke out in the Rhineland. By the Treaty of Locarno we declare that we *will*, in certain circumstances, intervene. But it is little more than a treaty recognition of what we should be almost certainly compelled to do in any case if the contingency arose. Had there been such an official recognition in 1914 the war might well have been averted, and in all cases where we may be called upon to act under the Treaty of Locarno the British Government of the day remains the sole judge whether the *casus fœderis*⁴ has arisen.

Results of Locarno

(a) *Germany.* The Locarno settlement is at once the sign and the cause of a new spirit in Europe. We hope that it marks the end, or the beginning of the end, of the fear and distrust which found expression for so long in a policy of threats and sanctions on one side and sullen resistance on the other. Nowhere has the change from war to peace mentality been more marked than in Germany. Since 1923 there has been a complete revolution in her financial and economic condition. With a reformed currency, a balanced budget showing substantial surpluses of revenue, an industrial machine, reorganised and re-equipped, Germany has to-day regained her former place as one of the world's most steadily productive workshops. What the future may bring forth I should hesitate to prophesy, but Germany is still a republic, and the republic itself has received a considerable accession of strength from the success of the new policy which Dr. Stresemann tells me is now accepted by all but a small minority of the extremer Nationalists on the one hand and the Communists on the other. Pride in, and respect for, Germany's past is by no means incompatible with the conviction that in the maintenance of the republican form of government lies the surest promise for her future, and even President von Hindenburg, faithful servant of the Emperor that he was, appears since his election to have afforded no encouragement to those who seek a monarchist restoration. He should, indeed, be regarded rather as a symbol of continuity than as an omen of change.

And Poland. It is scarcely a matter for surprise that, with the renewal of vigour and stability which has been described, German attention, freed from excessive preoccupation with immediate internal problems, has been increasingly directed towards those aspects of the Peace settlement which are most galling from the German point of view. By the arbitration treaties with her eastern neighbours, which form a part of the Locarno symposium, Germany has formally agreed to eliminate resort to force as a means of obtaining a modification of her eastern frontiers. Neither this fact nor the entry of Germany into the League must, however, be held to imply the acceptance by her as final of the existing territorial settlement in Eastern Europe. The severance of East Prussia from the main German body by means of the Polish Corridor, and the partition between Germany and Poland of the industrial and mining areas of Upper Silesia, are regarded as wrongs in which it is impossible permanently to acquiesce, and these practical grievances are aggravated by the hatred felt by the Poles for their former oppressors

⁴ i.e. a case contemplated by treaty engagement.

and by the contempt for the Poles as men of an inferior race and culture openly expressed by the Germans. It is true that signs have not been wanting of a growing realisation that a purely obstructive attitude towards everything Polish will serve neither immediate nor ultimate German ends, and that the continuance of the present tariff war between the two countries is as injurious to Germany as to Poland; but there has been no weakening of the German determination to press, when the moment arrives, for a revision of the eastern settlement, in a sense more favourable to German aspirations. On Germany's southern frontier, again, lies the compact German Republic of Austria. Both in Austria and Germany there is a certain movement for union though it may be doubted whether it really goes very deep, and I should be hopeful that if Austria's economic condition continues to improve she will definitely prefer a modest independence to being swallowed up in a greater Germany. Such a union, making the frontiers of Germany coterminous with those of Italy would be felt as a menace by the latter country, and though no German statesman has yet publicly denounced the idea, the wiser among them certainly perceive that no good can come of stirring the question at the present time.

Germany and mandates. I must say a word about Germany's claim to colonial mandates, in which the German Government, according to their memorandum of September 1924 to the Governments represented on the Council of the League, 'expect at the proper time actively to participate.'⁵ I have considerable doubts whether the mass of German opinion cherishes any actual ambition in this direction, but within the last two years certain interested quarters in Germany have revived the colonial movement and are keeping it alive by a vigorous propaganda. Since there is no mandate or unoccupied colonial area for allocation to Germany, the idea of Germany's re-entry into the colonial field is to-day not practical politics. His Majesty's Government have admitted, as a question of fact, that Germany, as a member of the League of Nations, would have an equal right with all other members to be considered for any new colonial mandate if one were created; but we have made it abundantly clear in public and in private that no surrender of territory is to be expected from any part of the British Empire, and that our mandated territories, though held under the supervision of the League, are not held from the League, and that the mandates cannot be revoked or transferred by the League.

(b) *France.* The first step in the Locarno policy was to win back the confidence of France and with it our influence over the general trend of her policy. This object has been completely secured. No contrast could be greater than that between the picture of our relations with France as painted by Lord Curzon in 1923 and that which I have to present to-day. The rejection of the protocol⁶ and the refusal of a new triple alliance directed against Germany were at first a bitter disappointment to the French Government and nation, but that feeling has been entirely overcome. The old harmony of council and community of action has been restored. Franco-British friendship has become the basis of all French policy. For two years we have worked together with ever increasing cordiality and confidence. Upon this friendship we have built our common reconciliation with Germany, and in it, as both Chancellor Luther and Dr. Stresemann said to me at Locarno, Germany sees the best pledge for her own security and interests.

(c) *Italy.* But this is not all. The Locarno policy has forged a new link with

⁵ See *League of Nations Official Journal*, March 1925, pp. 325-6.

⁶ The Geneva Protocol of 1924.

Italy. At first holding aloof, then attending the London meeting of jurists⁷ only in the character of an observer, Italy half way through the Conference of Locarno signified her adherence to the Treaty as a guarantor 'on the same footing as Great Britain.' Thus, the four great nations of Europe are linked together in a solemn covenant of amity and peace, and Italy sits as an equal in the Seats of the Mighty.

The fortunes of Italy are directed by a very remarkable man. Sprung from the humblest origins, up till the outbreak of war an extreme and combative socialist, Mussolini felt the call of patriotism when Italy entered the struggle, served with distinction as a soldier and, disgusted with the wordy impotence of the socialist and by the anarchy which in Italy followed on the sufferings of the war and the disappointments of the Peace, he became the founder of a new political system and the creator of a new Italy. It is not my business to approve or to blame his creed or his actions in the sphere of internal politics. He is the Government and it is my business to get on with him, but this I will permit myself to say—that no one can form a fair judgment of his course who has not taken some pains to inform himself as to the conditions of political corruption, social anarchy, industrial strife and national degeneracy from which he sought to save his country. If there be acts of his which excite severe criticism no candid observer will deny that alike at home and abroad he has given a new life and a new standing to Italy.

The past three years have seen in Italy a steady increase in the strength of the Fascist government; but the three attempts on the life of Signor Mussolini during the past year, one unfortunately by a British subject of unhinged mind,⁸ serve as a reminder that his life is essentially precarious. Signor Mussolini holds six cabinet posts himself and stands in determination and ability head and shoulders above his fellow Italians. Although it is his boast that the foundations of the new Italy are now laid so firmly as to be independent of his personal control, it is a matter for speculation how long his system would in fact survive his death. Much depends on the duration of his own life and much on his capacity to train up capable successors, but with the great majority of Italians the Fascist régime remains undeniably popular.

As regards foreign policy, there is no denying that the Fascist régime has more than restored the international prestige of Italy, which had been seriously undermined by a series of feeble post-war Governments. Mussolini has set himself to create among the Italians a just feeling of confidence in themselves in the present and a belief in a greater destiny awaiting their country in the future.

Italy, in fact, is engaged upon a phase of renewed national consciousness which makes success in diplomacy a very vital element in the strength of the Fascist Government. She is, as her distinguished representative on the Council of the League once said to me, the last and least of the Great Powers who has derived from the war an international position greater than her actual strength or achievements justify. It is the knowledge of this fact which makes the Italian Government so sensitive and which explains the aggressive character of some of the speeches to which Signor Mussolini gives utterance. But however regrettable and even dangerous these may be, he is a man of shrewd sense, holding to realities even in the pursuit of his ideals, and I am confident that he does not mean to embark upon a policy of aggression which the resources of his country would be unable to sustain.

⁷ In connexion with the negotiations for the Treaty of Locarno the legal advisers of the British, French, Belgian, German, and Italian Governments had met in London in September 1925: see *Survey of International Affairs 1925*, vol. ii, p. 45.

⁸ Miss Violet Gibson had fired a revolver at Signor Mussolini on April 7, 1926.

In foreign affairs the attention of Italy is mainly directed towards the Mediterranean and the Balkans. As regards the Mediterranean, the *rapprochement* with Spain, the annexation of the Dodecanese, and the strengthening of the Italian hold on the North African colonies are parts of a considered policy to create for Italy a position if not of dominance at least of authority in the Mediterranean. In the Balkans her policy is somewhat obscure. She is probably feeling her way. She demands to be regarded as having a special interest there, and her most immediate concern is with the Adriatic coast. With a view to the latter, Signor Mussolini wisely reversed the policy of his predecessors and concluded a pact of friendship and collaboration with Yugoslavia in 1924. Nevertheless, relations between the two countries have not ceased to be marked by mistrust, especially on the part of Yugoslavia, where the policy of the pact encounters serious opposition in Dalmatia and Croatia.

The real danger spot, however, is Albania. That tiny country is divided into sects and clans without any national consciousness as we understand the term to-day. She is many centuries behind the rest of Europe; and yet she is an European State and member of the League of Nations. Herself a menace to no one, her recurrent revolutions and her defencelessness constitute a standing temptation to her neighbours to intervene. Italy cannot afford to see the Albanian coast fall into other hands and is determined that she shall exercise a predominant influence there and supervise the development of the country. Yugoslavia is alarmed lest Italy should secure a foothold in the Balkans from which to exert pressure on herself. In these circumstances Albanian independence is a sort of compromise, the maintenance of which should be to the interest of all concerned.

Although both Italy and Yugoslavia have given assurances that they will respect Albanian independence, there can be little doubt that Italy intends to establish such a hold over the country by financial pressure as to be almost tantamount to actual occupation. She has recently secured a bank concession which places Albanian finances in Italian hands. Only last August [July] the Italian Government addressed to His Majesty's Government a veiled protest at what she regarded as the anti-Italian attitude adopted there by His Majesty's Legation at Durazzo, and took the occasion to assert a claim to exclusive influence in Albania and the Adriatic. His Majesty's Government, whose own record was above reproach, felt constrained in reply to state unmistakably that, whilst they themselves had no intention of assuming direct responsibility or seeking any special position in that country, they could not admit that any Power could claim an exclusive position in Albania or the Adriatic, although they recognised that Italy from her proximity and importance had special interests in Albania.⁹ I think this action has been justified by its results, as in my conversation with M. Mussolini at Leghorn on the 1st October [30th September], he expressed his regret at the misunderstanding which had arisen between us, and volunteered to me the statement that he would respect the independence of Albania, adding that he was ready at any time to embody this engagement in a treaty.

I should add that the relations between the Cabinets of London and Rome are now most cordial. Signor Mussolini's methods are sometimes a little rough; he is apt to fancy a slight and to go off at a tangent, but I have found him a man of his word, and we have settled without any serious difficulty two or three questions which in other hands might have given rise to a serious crisis. He assures me that it is his earnest desire to co-operate with this country, and I believe

⁹ See Nos. 118 and 157.

him all the more readily because I am convinced that such co-operation is essential to the policy which he has adopted.

I hope, therefore, that we may avoid a crisis which would endanger peace in the Balkans, but Albania will remain an anxiety. Our own policy, whilst protecting legitimate British interests, is not to become involved in these local jealousies and quarrels, and, should trouble unhappily arise, to secure its reference to the Council of the League.

But Italy's great problem—a problem also for the world—is the growth of her population. Although there are signs that the increase is beginning to lag, the fact remains that for the last five years the net rate of increase (excess of births over deaths) amounts to about 470,000 a year. Before the war some 600,000 Italians emigrated annually, rather more than half going overseas. Owing to the restrictions on immigration now existing in the United States, a profound change has been introduced into the situation and France has become one of the principal fields for Italian emigration, a development which is in many ways disquieting. The settlement on a large scale of the citizens of one highly organised State upon the adjacent territory of another implies obvious dangers which are not lessened when the immigrants belong to a nation with an increasing national consciousness, and it is not difficult to imagine that the existence in Southern France of an area populated by Italians may eventually have serious effects on the relations between the two countries. Colonisation on a considerable scale in Italian colonial possessions is as yet not practicable. Italian Somaliland and Eritrea may be dismissed at once as unsuitable for permanent European colonisation. Tripolitania and Cirenaica may eventually become an extensive field for white emigrants and as such Signor Mussolini regards them, but their effective occupation by the Italian forces has not yet been completed and they demand for their development time, patience and, above all, capital.

A more attractive prospect is offered by Asia Minor. I shall speak later of Turkey. It is sufficient to say here that the future of Smyrna and the hinterland is never absent from the thoughts of Italians, and if ever an heir has to be sought to the present Republic of Turkey, or if that republic becomes involved in war, Italy will assert her claims. For my part I frankly confess that I hold it a misfortune for the peace of the world that the expectations which Italy had been encouraged to entertain when she entered the war were not more fully satisfied in the terms of peace.

Owing to this pressure of population and to the presence of so large a number of Italians both in France itself and still more in the French colony of Tunis, coupled with the natural antipathy of democratic and socialist France to Fascist Italy, the relations between the two countries are far from satisfactory. But although there is no love lost between the two peoples, Signor Mussolini and M. Briand are aware of the dangers of such international polemics. M. Briand has set himself resolutely to the task of averting them, and Signor Mussolini assured me the other day that, though they might bicker 'like brothers,' they were too necessary to one another to permit a serious quarrel.¹⁰ It is the part of Great Britain to act as a moderator and a link between them.

The League of Nations

If the change produced by the Locarno treaties be the outstanding feature in the domain of foreign policy since the last Imperial Conference, the growth of the

¹⁰ The reference is probably to the conversation at Leghorn: see Nos. 235 and 235.

League of Nations in importance and prestige is scarcely less remarkable. This increase of authority is indeed in part due to the co-operation among the Great Powers produced by the Locarno policy, and, it may be hoped that it will help to facilitate and confirm that co-operation in the future, for any division among the Great Powers in the Council would certainly produce a parallel division in the Assembly, and the efficiency and authority of the League must, at any rate for many years to come, depend on the maintenance of harmony among them. Of course, you who represent States members of the League know as well as I do that the League is not a perfect instrument. Apart from the human passions and jealousies which exist and always will exist between nations as between individuals, the defection of the United States deprives the League of the irresistible weapon which its founders intended it should wield. An economic and financial boycott of a recalcitrant State without the participation or at least the active goodwill of the United States must in many cases be quite unfeasible. None the less, the League has made good. It has become a permanent factor in international politics which no country in the world can afford to ignore. In addition to a mass of what may almost be termed routine work in the political, economic and humanitarian spheres, the League has faced and solved a number of questions which contained seeds of endless trouble and difficulty, such as the Anglo-Turkish dispute over Mosul, the dispute concerning the Græco-Turkish frontier and the disputes over Memel and Danzig. In particular, the manner in which the Council handled the incident between Bulgaria and Greece in October of last year deserves special mention.

A serious affray broke out without warning on the Greco-Bulgarian frontier. It was just one of those incidents that fifteen years ago would probably have involved the whole of the Balkans in war. In fact, hostilities had actually begun when appeal was made by Bulgaria to the League. The Council was summoned and met immediately in Paris. Both sides were called upon to retire at once within their own frontiers, and to send representatives to state their case before the Council. The incident was successfully settled, and the Council at a later session devised a plan whereby the danger of such incidents will in future be greatly reduced. It was felt on all sides that the Council had acted with unexpected rapidity and achieved a marked success, the deterrent effect of which on other possible aggressors has already been felt in other Balkan squabbles. If harmony can be maintained among the greater Powers, the League is, I believe, already strong enough to prevent such minor European conflicts, and given wise leadership and a prudent moderation may gradually build up an international jurisprudence to which even the strongest nation must conform. There can be no doubt that the German delegation to Geneva were greatly impressed by what they saw, and I and others have noticed in the last year a sensible change in Signor Mussolini's attitude to the League.

Three other notable achievements of the League call for more than passing mention—the financial reconstruction of Austria and of Hungary and the work of the Greek Refugee Settlement Commission. In 1922 Austria was on the brink of dissolution and chaos, with her currency depreciated to less than 1/10,000th part of its value. She had, in fact, sunk to such a condition that there was no hope of her achieving her own salvation without external financial aid. By the grant of an international loan guaranteed by the Governments of the subscribing countries, by the execution of the series of drastic administrative reforms prescribed by the League and the strict control of Austria's State expenditure by an agent appointed

by the League, Austrian finances have now been placed on a sound footing, her currency stabilised on a gold basis, budgetary equilibrium established and credit and confidence gradually restored. I take a special pride in this achievement, as it owes its origin to the indefatigable labours of Lord Balfour, seconded by the very able Governor of the Bank of England. The League's essential task having thus been discharged, all foreign control over Austrian finances was withdrawn as from the 30th June last.

The importance of this success lies not only in the benefits derived by Austria and indirectly by Europe as a whole, but also in the experience gained by the League, which has enabled it to carry out a similar task in Hungary. In all main essentials the methods adopted by the League in 1924 for dealing with Hungary's chaotic financial situation were identical with those applied in the case of Austria. The control of Hungary's finances by the League was withdrawn on the 30th June last, the reforms laid down under the reconstruction scheme having been fully executed, the currency stabilised on a gold basis and the general economic and financial condition of the country having recovered to an extent surpassing the most sanguine expectations.

Equally satisfactory has been the remarkably successful handling of the Greek refugees from Asia Minor. In the autumn of 1923 the League of Nations authorised the issue of a loan of £10 million to be handled by a refugee settlement commission responsible to the League itself. The money was largely raised in the City of London, and the work has since proceeded by steady stages. The dimensions of the problem were almost unparalleled. In Greece, a country of 6½ millions, room had to be found for no fewer than 1,400,000 refugees, of whom 1,200,000 were destitute. Of these approximately all but 200,000 have now been established.

The importance to Greece of this new population cannot be over-estimated. The newcomers as a whole are more industrious and more enterprising than the local Greeks; like the Huguenots in this country, they are introducing new industries, and should in a few years prove a real source of strength and wealth to Greece. The bulk have been settled in Macedonia, where before the war the Greek element in the population was distinctly weak. That area, which formerly contained a large Slav-speaking population, is now almost exclusively populated by Greeks. The former Slavophone inhabitants have emigrated to Bulgaria under the pressure of the in-coming Greeks, and by the Græco-Bulgar Voluntary Emigration Convention of November 1919 a commission is engaged in assessing the compensation due in respect of the properties thus relinquished.

A similar measure for the settlement of the Bulgarian refugees is now being undertaken by the League—again largely at the instance and under the influence of this country.

No account of the work of the League would be complete without some reference to the subject of disarmament, or more properly of the reduction of armaments, but this question may be better treated separately and by Lord Cecil, who has represented His Majesty's Government on the League Committees dealing with it.¹¹

There is one other aspect of the League meetings on which I should like to say a word. My experience of the conduct of foreign affairs, short though it is, has been sufficient to convince me of the great importance of personal contact between the foreign Ministers of different countries. Many a difficulty is resolved by a conversation where it would only be aggravated and embittered by the exchange

¹¹ See No. 273.

of despatches. I should be the last man to underrate the work of the diplomatists, but it can be most usefully supplemented by meetings of the Ministers themselves. It is certain that the personal relationships established between the foreign Ministers of France and England, of England and Italy and now of both France and England with Germany have done much to make possible and to forward the improved relations of their Governments.

The quarterly meetings of the Council and the annual meetings of the Assembly offer a natural occasion for these *rencontres*. I am told that the Foreign Secretaries of sixteen countries were assembled at Geneva last September. Moreover, the frequency and regularity of the Council's meetings tends to produce a certain corporate spirit in its members. Though they sit at the Council table as representatives of their own countries, they have a joint feeling of pride in the solution of past difficulties and they share a genuine desire to repeat these successes. There is undoubtedly this difference in atmosphere between the Council in its successive sessions and a special conference called only in time of crisis, at which the members, meeting as strangers and without any habit of co-operation, may be far more suspicious of one another and far less anxious to agree. It was noticeable in the Mosul question, where there was at first a marked divergence of view, that it was this sense of personal confidence, combined with the feeling that the Council itself would suffer seriously in public estimation if it failed to agree, which eventually secured unanimity.

Spain

The entry of Germany into the League, which is the outward and visible sign of her restoration to the full comity of Europe, is a consummation worth much sacrifice; but we have paid a heavy price in the resignations of Spain and Brazil. I still hope that wiser counsels will prevail during the two years which must elapse before the resignations become operative, but I do not feel over-sanguine. Spain, as the principal neutral Power during the war, held a special position in the League which she invariably exercised for good. I deplore her defection the more because under the Directorate of General Primo de Rivera Spain seems to have entered upon a new phase. While the popularity of the Directorate is by no means universal in Spain, there would seem to be no immediate or even early prospect of its substitution by any other form of government. A plot on the part of certain military and civilian elements to supplant it some months ago appeared to command but small support in the country and ended rapidly in complete failure, while, more recently, disaffection amongst the officers of the artillery, which, for the moment, threatened to become serious, was suppressed with little difficulty.

The Directorate has indeed much to its credit. In particular, the success achieved in conjunction with France in Morocco is in striking contrast with the disasters of previous years. It would be too much to say that the trouble is entirely ended, but despite the drain on the national exchequer resulting from a prolonged campaign, the country's financial situation has markedly improved. The indolence and corruption which have for so long hampered the conduct of affairs in Spain have to some extent disappeared, and there are signs of a revival of industry and prosperity. The Spanish Government are naturally doing all in their power to assist this revival, and the strongly protectionist policy which they are pursuing with this object in view is causing us not a little anxiety.

Portugal

I wish I could paint an equally satisfactory picture of Portugal. Portugal is of special interest to the British Empire, not only because of our ancient alliance, but also on account of the vast Portuguese possessions in Africa. In his annual report for 1925¹² our Ambassador comments on the general and progressive lowering of the moral tone, the rampant bribery and corruption and the increase in crimes of violence. 'All educated Portuguese realise only too well,' he writes, 'the deplorable position into which their country is sinking, but, instead of taking steps to remedy it, they cry feebly for a Mussolini or a Primo de Rivera to save them.' Last May the Government then in office—one of an endless series of 'transient and embarrassed phantoms'—were summarily ejected by a group of Portuguese naval and military officers, who spent some time dismissing and exiling each other until General Carmona established himself in office. The General appears to be honest and to be well disposed towards this country. He is making a serious effort to abolish some of the most flagrant abuses, but one can feel but little confidence either that he will remain in power for any length of time or that he will succeed in reforming the Government.

Disquieting reports have reached London as to the existence in the Portuguese African colonies of labour conditions closely akin to slavery. The anti-slavery societies in this country have taken the matter up and colour is lent to the allegations by the reluctance and fear openly betrayed by the Portuguese of any investigation or enquiry by the League of Nations Commission on Slavery. If the allegations are true and if the Portuguese do not set their house in order, not only as regards labour conditions but also as regards general administration and especially the currency, there may well be an anti-Portuguese agitation similar to that which prevailed some years ago against the late King Leopold's¹³ administration in the Congo, and it is thus not devoid of interest to examine what our obligations are under the Anglo-Portuguese treaties, the earliest of which dates back to 1373.¹⁴ According to the texts we are under an obligation 'to defend and protect all conquests or colonies belonging to the Crown of Portugal against all his enemies, as well future as present'; but in consequence, presumably, of the antiquity of most of the treaties in question and the very different circumstances in which they were concluded, His Majesty's Government have in the past considered themselves entitled to scrutinise in each particular case the circumstances in which their help was invoked by Portugal. In 1873 Her Majesty's Minister at Lisbon was specifically instructed to make it clear to the Government of Portugal 'that Her Majesty's Government reserved to themselves to judge of the circumstances under which any appeal was made to them by Portugal for succour.' In 1913 Lord Grey summed up as follows: 'The conclusions seem to be that while the treaties are admitted to be still in force, His Majesty's Government reserve to themselves the right of judging the circumstances under which help may be given or withheld.'

Morocco and Tangier

From the Iberian Peninsula to Morocco is but a few miles. During the last three years the situation in Morocco has continued to cause us considerable

¹² Not printed.

¹³ Leopold II, King of the Belgians from 1865 to 1909.

¹⁴ For Anglo-Portuguese agreements of 1373-1812, 1815, and 1904 see respectively *British and Foreign State Papers*, vol. 1, part 1, pp. 462-563; vol. 2, pp. 348-55; vol. 97, pp. 68-69; for the Anglo-Portuguese Declaration of October 14, 1899, see G. P. Gooch and Harold Temperley, *op. cit.*, vol. i, pp. 93-94. *V. ibid.*, pp. 51-52, for the reservation made by H.M. Government in 1873 referred to below.

anxiety. It will be remembered that an essential feature of the Anglo-French arrangement in 1904 regarding Egypt and Morocco¹⁵ was the exclusion of France from the southern shore of the Straits of Gibraltar and the Mediterranean coast of Morocco; and when the French Protectorate over Morocco was negotiated in 1912 the frontier between the French and Spanish spheres laid down in 1904 was left untouched. It looked more than once as if the insurgent Riffi tribes under Abd-el-Krim would succeed in ejecting the Spaniards from Morocco, and a most difficult situation would then have arisen, since the French could not be expected permanently to tolerate an independent and aggressive native State wedged in between their Algerian and Moorish possessions. The French, and they alone, could have dealt with the Riffis, and sooner or later they would have been obliged to do so. Europe, and more especially England and Italy, would have been faced with the *fait accompli* of the French in possession of the Mediterranean coast of Morocco. Happily this danger has been averted, largely owing to the folly of Abd-el-Krim, who attacked the French protectorate and at one moment last summer was within 40 miles of Fez.

It was only in the face of this imminent peril and as one of the first acts of M. Briand on again becoming Foreign Minister that the French sought in co-operation with Spain safety from a common danger. The result of their joint action was the collapse of the Riff rebellion and the signature of an agreement which is intended to prevent a repetition of Abd-el-Krim's adventure.¹⁶ It is impossible to feel very optimistic as to the eventual success of Spain in carrying out a pacification of the Riff country, but at any rate so long as Franco-Spanish co-operation is maintained there is no immediate prospect of future Spanish disasters.

The hopes of a permanent settlement of the Tangier problem based on the conclusion of the Tangier Convention in December 1923, have not been fully realised. The long-drawn battle with the French, which we waged ever since their repudiation in 1919 at the Peace Conference in Paris of their formal promise to agree to the internationalisation of Tangier, ended in a compromise which secured for us what we most wanted, viz., the neutrality of Tangier under an international administration and the open door for trade, while the French retained complete control over the natives. All the Powers signatories to the Algeciras Act¹⁷ have acceded to the Tangier Convention with two exceptions, the United States of America and Italy. There are no United States residents and very small United States interests at Tangier, and their abstention creates no practical difficulty. It is quite a different story as regards Italy, and until Italian subjects and trade at Tangier are placed under the same laws and régime as other foreign citizens and interests, the new Statute cannot function properly.

The position is further complicated by the desire of Spain to incorporate Tangier in the Spanish zone and for this purpose to prove that the Statute cannot work. This is a demand to which France, Italy and ourselves are all resolutely

¹⁵ This Declaration respecting Egypt and Morocco is printed in *British and Foreign State Papers*, vol. 101, pp. 1053-9.

¹⁶ For an account of Franco-Spanish co-operation against Abdel Krim, his surrender and the Franco-Spanish agreement of July 1926 see *Survey of International Affairs 1925*, vol. i, pp. 140-63.

¹⁷ The General Act of the International Conference relating to the affairs of Morocco signed on April 7, 1906, is printed with annexed documents in *British and Foreign State Papers*, vol. 99, pp. 141-71.

opposed. The interests of the Empire require that Tangier should remain neutralised and that it should never become a *place d'armes*. Subject to this overriding consideration we are prepared, if it be found possible, to make some concession to Spain in view of the difficulties which the existence of the Tangier Enclave creates for her in the Spanish zone, and we are exerting ourselves to secure the adhesion of Italy. I believe this to be a question rather of satisfaction for her national pride—however ill founded her actual claims—than of serious material concessions. In any case it is our interest to make the Statute work and thus to preserve the international status of Tangier. If this can be secured, British interests will be safeguarded.

A few weeks ago I was able to discuss Tangier both with Signor Mussolini and M. Briand. We are all three in agreement that the proper course will be in the first place for France and Spain to discuss *à deux* what can be done to satisfy Spanish aspirations at Tangier, and then, when a Franco-Spanish agreement has been reached, for those two Powers to discuss with Great Britain and Italy the modifications which will be required in the Tangier Convention to satisfy Spanish and Italian *desiderata*.

Egypt and the Sudan

As we are in Africa, let me now say something about Egypt and the Sudan—the order in which I am taking the different countries is somewhat arbitrary, but is not without a logical connection.

The Declaration of February 1922,¹⁸ whilst proclaiming Egypt an independent sovereign State, reserved to the absolute discretion of His Majesty's Government, pending their ultimate settlement by negotiations, the following four subjects:

- (a) The security of the communications of the British Empire in Egypt.
- (b) The defence of Egypt against all foreign aggression and interference, direct or indirect.
- (c) The protection of foreign interests in Egypt and the protection of minorities.
- (d) The Sudan.

That Declaration remains the basis of British policy until, if this should ever prove possible, some more satisfactory relationship can be established between Egypt and the British Empire. It was in fact, if not in theory, upon the basis of this Declaration that Mr. MacDonald in the autumn of 1924 explored the possibility of reaching an agreement with Egypt by means of personal conversations with Zaghlul Pasha, who was then the all-powerful Prime Minister of Egypt. Mr. MacDonald conducted these negotiations with no little skill. Without committing himself he encouraged Zaghlul to declare his real purpose. It was nothing less than the expulsion of the British Empire, bag and baggage, from Egypt and the Sudan. Upon the presentation of this preposterous claim Mr. MacDonald broke off the negotiations and made it clear in a despatch to Lord Allenby¹⁹ that in the absence of an agreement His Majesty's Government would insist on the reserved subjects being scrupulously respected by Egypt, and he added a caution, soon to be completely justified, that if the Egyptian Government used the presence of Egyptian troops and officials in the Sudan to stir up hostility to

¹⁸ Printed as enclosure 2 in item No. 35 in Cmd. 1592 of 1922.

¹⁹ This despatch of October 7, 1924, to Field-Marshal Viscount Allenby, H.M. High Commissioner for Egypt and the Sudan, 1919-25, is printed as Cmd. 2269 of 1924.

His Majesty's Government it could only end in the expulsion of Egypt from the Sudan.

Shortly afterwards the political agitation which Zaghlul Pasha had fomented culminated in the murder in the streets of Cairo of Sir Lee Stack, the Governor-General of the Sudan and the Sirdar of the Egyptian army.²⁰ Zaghlul's refusal to comply with all the terms of the ultimatum which His Majesty's Government immediately addressed to him led to his fall from power and his place was taken by Ziwer Pasha, who made no secret of his intention to collaborate loyally with His Majesty's High Commissioner. In the meantime, all Egyptian troops and officials were sent back from the Sudan to Egypt. This great change was accomplished without serious disturbance except for the mutiny of two platoons of a Sudanese battalion, instigated by Egyptian officers, which was promptly suppressed. The locally recruited units of the Egyptian army were converted into the Sudan Defence Force and were required to swear allegiance to the Governor-General and not to the King of Egypt. His Majesty's Government decided that it was not desirable to denounce the Anglo-Egyptian Agreement of 1899,²¹ which created a Condominium in the Sudan, though by the expulsion of the Egyptian troops and officials the actual administration and all real authority were placed in British hands.

The elections which took place last May resulted, as was anticipated, in an overwhelming majority for Zaghlul Pasha. The latter, who at first had declared his intention not himself to form a Government, was so elated by the outcome of the elections and by the almost simultaneous acquittal of some of his followers on a charge of complicity in the long series of political murders which had taken place during the five preceding years, that he suddenly changed his mind and decided himself to become Prime Minister. This would have been a fatal blow to British influence and would have been regarded by all those in Egypt who had collaborated with us as tantamount to a betrayal on our part of their interests. In these circumstances Lord Lloyd, who succeeded Lord Allenby as High Commissioner last autumn, was authorised to make it clear to Zaghlul that His Majesty's Government could not tolerate his assumption of office. After a tense situation for a day or two, and without Lord Lloyd having recourse to anything in the nature of an ultimatum, Zaghlul realised that discretion was the better part of valour and contented himself with the Presidency of the Chamber, leaving Adly Pasha to form a Coalition Government composed partly of Liberal Ministers who had served in previous Governments of moderate complexion and partly of the less extreme followers of Zaghlul Pasha.

The purely political character of the verdict which at the end of May acquitted those accused of complicity in the campaign of political murder was shown by the resignation of Judge Kershaw, the British President of the Court, which was composed of himself and two native judges who were undoubtedly intimidated by the rising tide of Zaghlulism.

The new Government under Adly Pasha have steered clear, so far as possible, of contentious issues which would be likely to bring them into conflict with His Majesty's Government, and in this they have been aided by Zaghlul Pasha, who, no doubt for purposes of his own, has used his complete authority over the Egyptian

²⁰ On November 19, 1924.

²¹ The agreement signed on January 19, 1899, by Her Majesty's Government and the Government of the Khedive of Egypt relative to the future administration of the Sudan is printed in *British and Foreign State Papers*, vol. 91, pp. 19-21.

Parliament to exclude from their discussions anything of a provocative nature. The Egyptian Parliament, which met in June, has for the most part been engaged in the discussion of the Budget, and with its passage last month (i.e. August) has adjourned until November. The chief subject which looked like giving rise to serious difficulty was the proposal that Egypt should apply for membership of the League of Nations. Until the definite limitation on her independence imposed by the reserved subjects had been liquidated it would be dangerous for Egypt to be allowed to attain a position in which, for instance, it would be possible for her to refer the presence of the British army of occupation to the decision of some body like the League of Nations or the Permanent Court of International Justice at The Hague. Fortunately the Egyptian Government realised the necessity of proceeding warily and adopted a temporising attitude, which for the time being appears to have silenced those members of the Egyptian Parliament who were anxious for an immediate application for membership to be made. What the attitude of the League would be towards such an application in face of the affirmation which I conceive we should all be agreed is necessary that Egyptian independence is subject to and qualified by the four points of the Declaration, I cannot foresee. His Majesty's Government are advised that the juridical position is by no means as clear as they could wish, but I may add that in the crisis following on the murder of Sir Lee Stack, and again when Zaghlul's triumph at the elections became known, His Majesty's Government had the whole-hearted support of the French and Italian Governments and of the French and Italian colonies in Egypt. This is an additional and striking illustration of the change which has taken place in our international relations. This support has never been forthcoming in like manner before.

With the reassembly of the Egyptian Parliament in November a number of very grave and difficult questions must almost inevitably come up for consideration. Such for instance, is the Sirdarship of the Egyptian army, which has remained in abeyance since the murder of Sir Lee Stack, and to which post the Egyptian Government would like an Egyptian appointed. His Majesty's Government could only agree to this in return for very definite guarantees that the Egyptian army would not be allowed to become a danger to peace and orderly government. Another question which calls for early settlement is that relating to the employment of foreign officials and experts. The majority of British officials serving under the Egyptian Government are on contracts which will expire on the 31st March next, and it has been decided that the Egyptian Government must at all costs be induced to renew these contracts in the case of indispensable officials. A wholesale or even a considerable exodus of the already largely reduced staff of British officials would make it impossible for the High Commissioner to exercise the necessary influence on the Administration. Other questions which may prove hardly less thorny may easily crop up and we must be prepared for a period of grave difficulty, the outcome of which it is impossible to foretell. Fortunately in Lord Lloyd we have a High Commissioner who has already established his prestige in Egypt, and in his hands Imperial interests will not be allowed to suffer.

In the Sudan Sir Geoffrey Archer, previously Governor of Uganda, was appointed Governor-General on the death of Sir Lee Stack. With the disappearance of Egyptian troops and officials at the end of 1924 there has been no overt political unrest, though we have reason to know that the extremist elements in Egypt have not abandoned their attempts to sow disaffection in the Sudan.

Economic progress has been well maintained. In January Lord Lloyd formally opened the new dam on the Blue Nile, and as a result of the first season's working some 80,000 acres were placed under cotton, a figure which will be materially increased during the current season.

The Nile is the life of Egypt and the Sudan, and the Blue Nile rises in Lake Tsana in Abyssinia. Our interest in Abyssinia is thus obvious and our relations with that country have acquired a certain prominence of late owing to the conclusion with Italy of an agreement by which the two Governments undertake to support each other in their applications to the Abyssinian Government for permission to construct certain public works.²²

The tripartite agreement of 1906 between Great Britain, France and Italy²³ represented an attempt on the part of the three Powers to define their respective interests in such a way as to obviate causes of friction and to safeguard the integrity and independence of Abyssinia, but it was not of itself sufficient to put an end to the jealous and obstructive attitude of the Powers towards legitimate attempts on the part of any one of them to develop its special interests. Our inability to secure the agreement of the Abyssinian Government to the utilisation of Lake Tsana as a reservoir affords an instance of the difficulties thus created.

Whilst no opportunity was lost of impressing on the Abyssinian Government the importance which His Majesty's Government continued to attach to the utilisation of Lake Tsana, no progress could be made until something had been done to satisfy the other Powers chiefly concerned that British aspirations in this direction did not menace their interests or conflict with our engagements either under the agreement of 1906 or under the Covenant of the League of Nations.

Satisfactory assurances in both respects have been afforded by the Anglo-Italian exchange of notes and the discussions which have taken place with the French Government. The agreement embodied in the exchange of notes, as I made clear in Parliament in answer to a question on the 30th June, cannot by any latitude in interpretation be held to entail economic partition. In a further reply on the 5th July I pointed out that the Anglo-Italian Agreement could have no binding effect upon the Abyssinian Government, and that it was not proposed to resume discussions with them until they had had full time to consider the matter.²⁴

The French Government were at first inclined to view the Anglo-Italian Agreement with suspicion and disfavour, but as the result of the clear explanation which both we and the Italians have furnished the French Government have declared themselves completely satisfied, and have instructed their representative at Addis Ababa to adopt an attitude of benevolent neutrality towards the British and Italian proposals. In the case of Lake Tsana they have, indeed, gone further and told their representative to inform the Abyssinian Government that they do not consider that the requirements of His Majesty's Government in regard to the lake would be in any way detrimental to the interests of Abyssinia. Opposition on the part of the French and Italian Governments has thus been eliminated, and the good faith of British intentions made clear in published correspondence with the League of Nations arising out of a rather hasty and unbalanced Abyssinian protest to that body.²² In these circumstances it is reasonable to hope that our Minister at Addis Ababa will be able to resume direct negotiations with the

²² See No. 92, note 2.

²³ Printed in *British and Foreign State Papers*, vol. 99, pp. 486-90.

²⁴ See *Parl. Debs.*, 5th ser., *H. of C.*, vol. 197, cols. 1120 and 1613-14 respectively.

Abyssinian Government in regard to Lake Tsana with better prospects of overcoming the native suspicion and obstructiveness which have frustrated the repeated efforts of his predecessors.

The Hejaz

Just across the Red Sea lies the Hejaz. The disputes between King Hussein and his powerful neighbour, Ibn Saud, the Sultan of Nejd, culminated in September 1924 in the invasion of the Hejaz by Ibn Saud's troops. Mecca fell into their hands without fighting. Hussein appealed to us for help, but, in view of the religious issues involved, we declared our neutrality in the conflict and refused licences for the export of war material to either of the combatants. Soon afterwards Hussein, under pressure from his own people, abdicated in favour of his son, Ali, and escaped in his yacht, which had already been laden with gold, to the Gulf of Akaba. Ali struggled on for a year, more or less besieged in Jeddah, and, although there was but little serious fighting, hardly any pilgrims were able to proceed to the Holy Cities in 1925. Finally, in December 1925, Ali abdicated and went into exile, after handing over Jeddah without bloodshed to Ibn Saud.

The latter had declared that he was fighting to free the Holy Cities and that the Hejaz would be constituted a neutralised State under the tutelage of Islam. Nevertheless, on the 8th January, 1926, he proclaimed himself in Mecca as 'King of the Hejaz and Sultan of Nejd and its dependencies,' in response to the solicitation, so he declared, of the people of the Hejaz. He was recognised in this capacity by His Majesty's Government and other European States at the beginning of March 1926. He has since convoked and presided over an important pan-Islamic conference at Mecca, at which no voice was raised against his action.

Ibn Saud's conquest of the Hejaz marks an interesting phase in Islamic history. His desert followers are fanatical puritans, and have caused much heartburning among Moslems by their destruction of several venerated shrines and tombs in the Hejaz. They have also insisted rigorously during the pilgrimage season this summer on the strictest adherence to the observances enjoined by the Prophet, which include the prohibition of smoking and music. The new ruler himself is less fanatical than his followers, and has shown considerably more statesmanship in his dealings with foreign Powers than did King Hussein. During the war Ibn Saud was steadfastly friendly to this country, and he has never swerved from this attitude. He professes a keen desire to improve the conditions in which pilgrims visit the Holy Places; but lack of a competent governing class and of financial resources may make it difficult for him to put into practice his good resolutions. The recent pilgrimage has, however, been orderly and the pilgrims have been safe from the exactions of brigands.

The policy of His Majesty's Government has all along been to refrain from taking sides in the religious disputes which centre round the Holy Places. All that we desire is that British subjects going on pilgrimage shall do so under the best possible conditions. Politically, however, we cannot entirely disinterest ourselves in the dual monarchy of the Hejaz and Nejd. Nejd borders upon the British mandated territories of Iraq and Transjordan, and the Hejaz has a common frontier with Transjordan. For this reason, in November 1925, Sir Gilbert Clayton, acting under instructions from His Majesty's Government, concluded with Ibn Saud two agreements, called the Bahra and Hadda Agreements, which regulate the relations between Nejd and the mandated territories; and, in the case of Transjordan, lay down the frontier line.

Ibn Saud has expressed a wish to revise his treaty relations with Great Britain, and His Majesty's Government hope very shortly to initiate negotiations with this object. Our policy is, of course, to treat the Hejaz and Nejd as entirely independent countries; and there is no question of any form of protectorate over either, or of a subsidy to Ibn Saud.

The Little Entente

I must now return to Europe. The Little Entente, which was formed by Czechoslovakia, Yugoslavia and Roumania primarily as a defence against Hungarian attempts to undo the territorial settlement effected by the peace treaties, constitutes an important factor in the polity of Europe. Meetings of representatives of the three States have taken place at regular intervals and agreements have been reached among them regarding the joint attitude of the Entente towards the major European questions brought before the League and those minor questions connected with Hungary, Austria and Bulgaria which affected the interests of the members more particularly. The fact that the treaties have been renewed as occasion arose shows that the Central European States, which owe their existence and expansion to the peace settlement, feel the need for mutual support to secure their national existence.

The collateral treaties between Poland, Czechoslovakia and Roumania²⁵ which are designed to frustrate aggression from Soviet Russia have also been renewed, and the connection between Poland and the Entente is about to be further strengthened by a treaty of arbitration and friendship with Yugoslavia.²⁶ It is satisfactory to note that the example set at Locarno has encouraged the insertion into certain of these renewed treaties of arbitration and mutual guarantee clauses. There is evidence to show that most of the existing treaties are accompanied by military conventions and secret understandings provided [*sic* ? providing] for common action in the event of trouble being threatened not only from Hungary and Russia, but also from Bulgaria, and it is certain that the military authorities of the States concerned collaborate from time to time. We are not, however, disposed to attach undue importance to these military undertakings, and in so far as the Little Entente still constitutes a factor of stability and serves to allay the fears with which these small States are beset, it serves a useful, though I would fain hope in its present form a traditional [*sic* ? transitional], purpose.

Czechoslovakia

Of the States created or enlarged by the Peace Treaties, Czechoslovakia has best stood the test of time, and affords the surest hope for the future. With a somewhat artificial frontier and with abrupt racial cleavages, the prospects of Czechoslovakia may at the outset have appeared doubtful; but the energy and

²⁵ For an account of the commercial and political conventions signed respectively in September and November 1921 by Czechoslovakia and Poland see *Survey of International Affairs 1920-3*, p. 299. The commercial convention and the treaty of conciliation and arbitration signed by the same countries on April 23, 1925, are printed in *British and Foreign State Papers*, vol. 122, pp. 304-39. The Polish-Roumanian treaties of March 3, 1921, and March 26, 1926, are printed *op. cit.*, vol. 114, pp. 916-17, and vol. 125, pp. 981-3, respectively.

²⁶ The Treaties of Friendship and of Conciliation and Arbitration signed by Poland and the Serb-Croat-Slovene Kingdom at Geneva on September 18, 1926, are printed *op. cit.*, vol. 125, pp. 983-90.

ability of the Czechs under the wise leadership of President Masaryk and their able and indefatigable Foreign Minister, Dr. Benes, have triumphed over serious obstacles. Dr. Benes, who has been continuously in office since the foundation of the republic, realised from the first that the internal stability and development of the State depended primarily on its ability to secure a prolonged period of undisturbed relations with its neighbours. Starting with the Little Entente, which was designed to guard against Hungarian aggression or any attempt to upset the peace settlement, Dr. Benes has continued to build up a series of political agreements with the Central European Powers, the culminating point of which was the conclusion of the arbitration treaty with Germany. He has since concluded similar treaties with Poland and Austria, and, with the sole exception of Hungary, it may be said that Czechoslovakia's relations with her neighbours rest upon a satisfactory basis.

The racial difficulties of Czechoslovakia have sensibly decreased since the conclusion of the Locarno treaties. After seven years of sullen opposition and determined refusal to participate in the government of the country, the German minority in Czechoslovakia has at length realised that the best method of securing the redress of its grievances is that of co-operation with the Czech political parties.

Austria

The financial reconstruction of Austria and Hungary, which I have already mentioned, has of course immensely improved the position of those two States. In Austria there is a considerable body of opinion which, on political and economic grounds, favours the union of Austria with Germany. Under the Peace Treaties, this can only be brought about with the consent of the Council of the League of Nations, and, as I have already indicated, there is no chance of such consent being granted in the lifetime of the present generation. There is, however, little indication that the responsible statesmen in either country contemplate raising as a practical issue a question so calculated to resuscitate old suspicions and so fraught with danger to the peace and stability of Europe.

Hungary

Hungary remains a danger spot. Neither her resentment at the severity of the peace settlement, nor her determination to seek, whenever that be possible, the restoration of much of her lost territory have diminished with the passage of time. Closely connected with this frame of mind is the movement that accompanies it for the restoration to the throne of Hungary of the House of Hapsburg. After the ex-Emperor Charles's second attempt in 1921 to regain the Crown, Hungary was compelled, under the menace of invasion by the Little Entente, to give an undertaking precluding any member of the Hapsburg family from being placed on the throne, and providing that no decision should be taken as regards the election of a future King without the prior consent of the Allies. The Hapsburgs formerly disliked as an alien dynasty, have now come to be regarded as a symbol of lost greatness uniting present-day Hungary with her racial minorities in the border States. As such they constitute an irresistible appeal to Magyar opinion and a corresponding object of suspicion in the minds of the Little Entente.

So long as this mentality prevails in Hungary no effective remedy can be provided for the unsatisfactory relations which exist between her and her neighbours, Czechoslovakia and Roumania, to whom have been allotted the bulk of the

Hungarian minorities. I have always hoped, however, that the example set by the Great Powers at Locarno will eventually be followed by the lesser Powers of Central Europe and the Balkans, and that those States will ultimately come to realise that their own interests would best be served by agreeing to settle their differences by methods of arbitration and conciliation on the principle embodied in the treaties concluded by Germany at Locarno with Czechoslovakia and Poland. That would undoubtedly be a first and very considerable step towards the improvement of existing relations. In time it might even lead to the substitution for or supplementing of the present Little Entente treaties by mutual treaties of guarantee embracing the former enemy States framed on the model of our Western Pact; but any attempt by the Western Powers to impose this policy would be doomed to certain failure—its whole value lying in its voluntary nature and spontaneous adoption.

At a meeting of the League of Nations in December last I took the occasion to broach this subject with Count Bethlen, the Prime Minister of Hungary (as I had previously done with Dr. Benes), and it was gratifying to find that in principle he was prepared to take the initiative himself in opening discussions with Dr. Benes with a view to the conclusion of an arbitration treaty with Czechoslovakia.²⁷ Had such an advance then been made it would have met with a favourable response on the part of Czechoslovakia, and might well have paved the way for the conclusion of similar agreements between Hungary and her other Little Entente neighbours, who have everything to gain from a policy of conciliation that would provide for the amicable settlement of their minority problems.

Unfortunately such hopes as existed of early developments along this line were almost immediately shattered by an event which aroused the bitterest feelings of antagonism between Hungary and Czechoslovakia. I refer to the forgeries scandal, the exposure of which revealed an elaborate and foolhardy scheme for the circulation abroad of French bank-notes forged in Hungary. Amongst those involved in this affair were persons prominent in the social and political life of Hungary and important Government officials, including no less a person than the chief of police himself. It was, moreover, established that the forgeries had been carried out in the State Geographical Institution. From these circumstances it at once became evident that the forgeries were not committed with any idea of personal gain, but for the purpose of raising funds for external propaganda against neighbouring States and for internal agitation in the interests of the restoration of the Habsburgs to the Hungarian throne. Though the whole affair was badly handled by the Government, there was no reason to suspect it of complicity or acquiescence in so puerile and dangerous a scheme; but French and Czechoslovak public opinion, encouraged by the exaggerated utterances of the press and anxious to bring about the fall of what is regarded as a feudal and reactionary Government, did not hesitate to inculcate Count Bethlen and his Cabinet. The incident is now to all intents and purposes closed, but the suspicions and passions which it has engendered will take some time to cool down and, for the present, the probability of any marked or lasting improvement in Hungary's relations with her neighbours must be regarded as remote. But the idea of reconciliation remains in the air. The Ministers of all the Balkan countries lose no opportunity of assuring me that Locarno is their model and their ideal. I receive these assurances with becoming gravity, not unmixed with a prudent scepticism, and I do my best to strengthen whatever of real conviction and purpose underlies their words.

²⁷ See Volume I, No. 137.

The Balkans

Throughout the 19th century the mere mention of the word Balkans would automatically have evoked the spectre of Turkey. Let us be thankful for such mercies as have been vouchsafed to our time. The sick man of Europe is now an Asiatic Power. Outside Constantinople Turkish atrocities can no longer take place on European soil. The practical elimination of Turkey from Europe is the first great step towards a permanent settlement of the everlasting Balkan problem which weighed like a nightmare on our fathers and grandfathers.

The Balkan problem still exists, however. The territorial ambitions and aspirations engendered by years of embittered warfare amongst these countries are still as strong as ever—I have already referred to the Greek invasion of Bulgarian territory in 1924 [1925]—but the peace treaties brought about a state of things which at least conform to political realities. Any move to revise them at present would result in chaos, and the only practical policy to pursue therefore is one of insisting on the fulfilment of the present treaties which must stand as the only instruments establishing peace until the bitterness left by the war has disappeared.

Our general policy in the Balkans may be summarised as follows:

- (a) To place confidence in the influence of the League of Nations, to encourage each Balkan State to look upon it as an impartial tribunal and to uphold whatever action the League might think fit to take in any serious emergency.
- (b) To keep informed of the changes in the internal and external policy of every Balkan State so that His Majesty's Government may offer good counsel and disinterested advice when occasion demands.
- (c) To resist every effort to disturb by violence the settlement left by the peace treaties and to encourage any movement tending to the maintenance of law, order and good government in each several State and the maintenance of peaceful relations between them.

Of the Balkan States—Jugoslavia is the foremost and most powerful and it is on her that the balance of power in the Balkans depends. Her rivalry with Italy is likely, as I have already explained, to constitute for some time to come a disquieting feature. We are watching developments in Jugoslavia with great attention and doing all we can to encourage her economic development and to restrain her more truculent moods.

Roumania more than doubled her population and trebled the extent of her territory as a result of the war and the task of consolidating her internal position has proved a heavy one. Moreover, Roumania's Hungarian minorities in Transylvania, whose irredentist activities are encouraged from Budapest, are likely to be a source of danger to her for many years to come. Unfortunately neither in Transylvania nor in Bessarabia, to which province the Soviet Government vehemently maintain their claim, has Roumania adopted administrative measures likely to increase the confidence of the minorities in the Government at Bucharest. She had been frequently arraigned before the Council of the League by the minorities in Transylvania, not always though too often with justice. The mutual feelings of Roumanians and Hungarians are comparable to those of Poles and Germans, hatred and fear on the one side, hatred and contempt on the other. In such circumstances equal faults are committed on both sides and Roumania has failed to show the generosity to her new subjects and the consideration for their racial needs and culture which alone can reconcile them to their new

nationality. I am not without hope that the election of Roumania to a seat on the Council will be the signal for a more conciliatory policy. A member of the Council does not like to be arraigned before his colleagues on that body.

Fear of Russia and suspicion of Hungary lie at the base of Roumania's foreign policy. Her alliance with Poland, which has been recently renewed, provides for assistance in the event of an attack by Russia, and her recent Treaty with France,²⁸ the terms of which are not yet known to us, would seem from the accounts published in some Paris papers to be an effort to ensure active French assistance in the same eventuality.

At the date of the last Imperial Conference Professor Tsankov, aided by the Military party and the Macedonians, had just seized the reins of power in Bulgaria. This was the beginning of a two years' terror, which was destined to be one of the blackest pages in the history of Bulgaria since her liberation from the Turkish yoke. It was a régime of pure repression, M. Tsankov's sole idea of government being to classify all his political opponents as Communists and to clap them into prison, where all were tortured and many disappeared for ever. It was not until last December, however, that the Opposition found itself strong enough to voice what had long been the opinion of Europe and to make it plain to M. Tsankov that he had come to the end of his tether. With profound relief, His Majesty's Government saw the government pass at the beginning of the present year into the hands of M. Liaptchev, a statesman of Macedonian origin with a reputation for financial and administrative ability. One of his first acts was to grant a general amnesty and to give the Agrarian party, to which 80 per cent. of the peasants belonged, the right to hold political meetings. This was a good beginning, and His Majesty's Government have so far had no cause to revise their first favourable impression of M. Liaptchev and his colleagues.

Bulgaria's economic recovery has been hampered since the war by the presence in her territory of unsettled refugees to the number of some 31,000 families coming from Macedonia, Thrace and the Dobrudja—provinces lost to Bulgaria as a result of the disastrous Balkan wars of 1913. These refugees were a cause of constant anxiety not only on account of their pitiable condition, but because they were unproductive citizens causing a drain on the Bulgarian exchequer, and because they formed good soil for Soviet propaganda and were easily recruited into the ranks of the mischievous Macedonian Revolutionary Organisation. The Bulgarians were unable to cope with them unaided, but, as soon as enlightened government returned, the League after careful consideration authorised the refugee loan to which I have already alluded. His Majesty's Government saw in this loan a means of stabilising conditions in Bulgaria and of combatting the Macedonian Revolutionary Committee. They therefore actively intervened in its support.

This organisation is the most pernicious and subversive force at work in the Balkans. Its object, as already explained, is the formation of an autonomous Macedonian State which ultimately would be federated with Bulgaria and would give her the territories now either Yugoslav or Greek of which she became possessed for a brief space after the Treaty of San Stefano of 1878.²⁹ As one-third of the population of Bulgaria is Macedonian, the organisation wields immense power. Its activities take the form of armed raids across the frontiers of Yugo-

²⁸ The Treaty of Friendship between France and Roumania, signed at Paris on June 10, 1926, is printed with attached Protocol in *British and Foreign State Papers*, vol. 125, pp. 582-5.

²⁹ The preliminary treaty of peace between Russia and Turkey signed at San Stefano on February 19, 1878, is printed *op. cit.*, vol. 69, pp. 732-44.

slavia and Greece in order to keep attention riveted on the fact that Bulgaria still has an interest in her 'minorities' in those countries. The neighbouring States are inclined, and often not without reason, to hold the Bulgarian Government responsible, and the raids of the Macedonians are often met by counter raids of agrarians from Yugoslavia and Greek komitaji.³⁰

The situation on the frontiers is, therefore, always tense, and the accusations and counter accusations which have passed between the Governments concerned are of so provoking a nature that but for the intervention of the Powers war might have easily ensued at any moment during the last two years. I have already mentioned the most noteworthy case which occurred last November [October], and was settled by the intervention of the League of Nations.

It is satisfactory to note that in spite of her chaotic internal position, Bulgaria has succeeded in promptly discharging her reparation obligations under the schedule laid down in March 1923,³¹ and that the measures taken with a view to carry out the disarmament clauses of the Treaty of Neuilly have advanced to such a point that it will presumably be possible to withdraw the military control organ from Bulgaria before those set up by the peace treaties in any other ex-enemy country. Speaking generally, it may be said that the outlook for Bulgaria at the moment is more hopeful than at any time since the war.

In Greece revolutions and *coups d'État* succeed one another with monotonous regularity. We have recognised the present Greek Government without enquiring too closely into its constitutional position, and diplomatic relations thus remain normal. The financial situation of Greece is undoubtedly precarious. Her military disasters, followed by successive revolutions, have frustrated any steady policy of economic reconstruction, and the temptation to spend money on armaments has not been sufficiently resisted. A further forced loan was imposed early this year. The Greek Government is, in fact, at its wits end for money. Greece's misfortunes have not been altogether her fault. Her obvious need is ten years' peace with freedom from political upheaval so that she may absorb the refugee population and the new territories. When this process is completed, Greece will have gained an immense increase of strength, both militarily and economically. Yet the political situation affords no promise of stability.

Turkey

When Lord Curzon examined our relations with Turkey three years ago, he pointed to the Treaty of Lausanne as having restored peace in the Near East after nine years, freed the Straits, and even enhanced British prestige in Turkey and appeased all Moslem countries. He did not and could not foresee the long and bitter controversy that was to result from the agreement to refer the question of the Mosul Vilayet to the Council of the League of Nations, failing a direct settlement between Turkey and Great Britain within nine months.

I have not the time even for a brief recapitulation of the story, which ended with the exchange of ratifications of the Anglo-Iraq-Turkish Treaty of Angora on the 18th July last. This happy ending to a tedious and perilous controversy is to a large extent due to the patient efforts and skill of Sir Ronald Lindsay, our late Ambassador at Constantinople and present Ambassador at Berlin. I believe,

³⁰ A Turkish word meaning committee-men and signifying guerrillas or bandsmen.

³¹ The agreement between the British Empire, France, Italy, and Bulgaria respecting the arrangements for reparation payments by Bulgaria is printed *op. cit.*, vol. 117, pp. 534-7.

however, that, as Signor Mussolini has himself jocularly suggested to me, nervousness regarding Italian designs exercised an appreciable influence on the Turkish attitude during the final period of the negotiations.

The position of the Turkish dictator, Ghazi Mustapha Kemal Pasha, appears at present to be as strong as ever; his power defies even the scandal of his private life. But I doubt whether he has succeeded in establishing a political system that is likely to outlast him. In Italy Mussolini is both the creator and the symbol of Fa[s]cism, an increasing and developing force. In Turkey Kemal represents a purely personal, and therefore impermanent, authority. The artificial façade of constitutional government has been scrapped and the edifice of stark autocracy emerges, stronger and more menacing than ever. But, being based upon a single personality, it is in daily peril of collapse, and there are few, if any, able men in sight to succeed to the mantle and authority of the Ghazi.

The recent history of politics in Turkey is brief but to the point. In the spring of 1924 the Caliphate was abolished and the House of Osman banished, much to the discomfort and scandal of the rest of Islam. This severed the last connection with the old Ottoman Empire. The expulsion of the Orthodox Patriarch in 1925 was a logical development of the policy of secularisation of the new Turkish State. In the spring of 1925 the Kurdish rebellion shocked and alarmed the dictator and his docile followers. It was ruthlessly stamped out; but Kurdish rebellion is a legacy of the Ottoman Empire that even the Ghazi cannot exorcise, and it is likely to remain a thorn in the side of the new régime. The rebellion provided the excuse for the opening attack on the opposition Progressive party, and the campaign thus initiated has recently culminated, on the further excuse of the plot against Kemal's life, in the execution and exile of most of the few men of moment who presumed to criticise and even oppose the Government and its head. The Independence Tribunals, with their powers of summary repression of political offences, were established primarily to chastise the Kurdish rebels. They have been employed to suppress all opposition ever since. At the same time the press was taken in hand and the surviving organs faithfully and uncritically record the news and opinions doled out to them from Angora. Probably there never was much articulate public opinion in Turkey. Whatever there was is now deprived of eyes, ears and voice.

The ambition of the Ghazi is the complete modernisation of Turkey. This policy takes strange forms. If I speak to the Turkish Ambassador of the interests of Islam, he replies that the Republic is a secular State and unconcerned with such matters. It is occupied rather with the enforced adoption of the bowler hat and the jazz band.

The corollary to this frenzied modernisation is rabid nationalism. The first fruits of this policy were the expulsion of the surviving Greek and Armenian minorities. Thereafter Kemal turned his attention to the foreigners in Turkey, who have for so many generations been engaged in commercial pursuits of all kinds, as well as in educational and other activities, on the whole to the undoubted benefit of the country. It is very natural that he should wish to free Turkey from her former financial and economic dependence on the European Powers; but this ambition is carried to unnatural and uneconomic lengths. The Angora Assembly grinds out oppressive and unpractical legislation directed against all forms of foreign enterprise. These measures are applied, without due warning or any foresight, with the maximum of harshness and the minimum of consideration. You may call to mind the instances of the British school and the British Chamber

of Commerce at Constantinople.³² There are numerous minor examples that involve endless and often ineffectual protests to Angora. The rights assured to foreigners under the Treaty of Lausanne are deliberately ignored or cunningly evaded. It is an unsatisfactory state of things and all the foreign communities in Turkey suffer alike.

We can only hope that the futility of applied xenophobia will come to be realised at Angora, for it antagonises the European Powers without benefiting Turkey. Perhaps in time Turkey will defy her dangerous friend Russia and join the League, and thereafter a breeze of common sense will dissipate the mists and miasmas of Angora. But the future of Turkey is problematical. Her misgovernment is a menace to the peace of the world.

Russia

I come at last to Russia.

Conditions in that vast country still remain obscure, and are very imperfectly revealed by the accounts which reach us. The power of the Soviet Government—composed, of course, of members of the Communist party, who alone are allowed any influence on affairs—is unshaken. If there is to be any change, it would seem probable that it can come only by a slow process of evolution, but as the Soviet system develops it becomes increasingly marked by the old aggressive tendencies of unregenerate Czardom in foreign and particularly Asiatic affairs, as contrasted with the international and revolutionary ideals of the pure Communists.

In February 1924 Mr. Ramsay MacDonald's Government extended *de jure* recognition to the Soviet Government. Following on the recognition a conference was held in London, from which there emerged a general and a commercial Treaty, both of which were signed on the 8th August. There seemed at the time very little chance that the Treaties would be acceptable to Parliament or the country at large, and at the general election in November 1924 public opinion was further influenced against them by the publication of the notorious Zinoviev letter, which, as you know, contained instructions to British subjects to work for the overthrow by violence of existing institutions in this country and for the subversion of His Majesty's armed forces as a means to that end. His Majesty's Government, therefore, informed the Soviet Government that they were unable to recommend the Treaties to the consideration of Parliament or to submit them to the King for ratification.

I might here say a few words about the activities of the Third International. This organisation, which has for its object to bring about a world-wide revolution, has been since its creation busily engaged in anti-British propaganda. Its activities have everywhere assumed a particularly anti-British character, partly because the character and stability of the British Empire make it the chief obstacle to the spread of revolutionary communism, partly because its extent and distribution expose it at so many points to attack. Thus, in China and elsewhere, as well as in this country, Soviet agents are active against us. The methods vary. In the East, where the greatest activity is shown, the watchword is not now communism, which has proved ineffective, but nationalism. What, then, is the relation between

³² For the question of the British High School for Girls at Pera see *Parl. Debs.*, 5th ser., *H. of C.*, vol. 192, cols. 1925-6, and vol. 193, col. 2010. For the Turkish demand that the British, French, American, and Italian Chambers of Commerce should be closed see *The Times*, August 13-19, 1926, *passim*.

the Soviet Government and the Third International? The connection between the two is not direct, but both are controlled by the supreme organ of the Communist party, the Political Bureau, on which leading members of both have seats. They are both parts of the Soviet machine and may be likened to the right and left hands of Russia, the Communist party supplying the brain which directs both. As Lord Curzon said in 1923, whatever pledge or promise the Soviet Government have given, they have been so far unable, if not unwilling, to restrain the Third International's activities. While the general strike was taking place in this country last May the Soviet Government gave special permission for the export of funds from the Red Trades Unions, themselves an integral part of the Soviet system, destined for their comrades in England; to the representations which I made to them on this subject they replied that they were unable to prevent the transmission of such money from one labour organisation to another.³³

There is no doubt that the rulers of Russia have completely failed to carry out the undertakings in regard to propaganda assumed in the Trade Agreement, but while we should have been justified in declaring the Agreement at an end and in breaking off diplomatic relations, there has seemed to us to be no practical advantage in doing so. Propaganda would not have been prevented and such trade with Russia as we at present do would probably have passed to other hands. Nor is it desirable on political grounds to treat Russia as a leper with whom no contact can be entertained, for it is to such contact that we must look as the instrument of that gradual evolution to more normal and civilised conditions of which I have already spoken.

Up to now the Soviet Government and the Third International have worked hand in hand, but there have recently been some signs of friction, and we may perhaps hope to see a gradual curtailment of the Third International's activities and an endeavour to cultivate more normal relations with the other World Powers.

For the present, relations between ourselves and Russia are stationary. Russia does not seem disposed to make any definite advance or prepared to consider any terms which we could entertain, and as long as she refuses to recognise in principle her liabilities to this country an advance on our part would be out of place. There is no doubt that the Soviet Government regard His Majesty's Government with distrust and suspicion. Judging others by themselves, they are obsessed by the idea, of which it seems impossible to disabuse them, that we are consistently inciting other States to attack them. Another obstacle to better relations, less sensational but probably more permanent than the Third International, is the traditional expansive instinct of Russia, which made her, long before the revolution, a menace to India and our communications with India and consequently our hereditary enemy in Asia. This tendency is now at work on the borders of China, in Afghanistan and in Persia, where it is the object of the Soviet Government to establish a system of subordinate and affiliated Soviet republics. In this object a certain measure of success has already been obtained and the spirit which inspires it will no doubt outlive the Soviet régime. Both these factors impede the return to friendly relations.

A very short survey of the economic and financial situation of the Soviet Union may not be out of place.

Soviet industries have been, and are now, very busy. Production has increased but very great difficulties are being experienced owing to the scarcity of manufactured goods, raw materials and machinery from abroad. There is a shortage

³³ See Nos. 52 and 60.

of skilled labour, but trade in almost all branches has been very good. There is purchasing power within the country and the difficulty lies not in the sale of goods but in finding goods to sell, in sufficient quantity and at a reasonable cost. Enormous overhead charges due to bad organisation seem to be the chief cause, allied to lack of capital and inefficient labour. Private trading has been allowed within the country but the Government still retains complete control of foreign trade. The latter, after expanding in 1925, is now restricted, partly as a result of the shortage of foreign currency caused by the failure to carry out the Government's programme for the export of grain and partly owing to the fact that prices in the Union make the export of many Soviet products actually unprofitable.

State revenue has increased enormously in the last three years and the State budget in 1924-25 was actually balanced without recourse to the printing-press. The currency position, however, is a constant source of anxiety.

At the present time Russian industries appear to have almost reached their maximum output with the equipment inherited from the preceding régime. Replacements have now to be faced, new machinery must be bought and new factories built. The Union has great eventual possibilities as a market, in which for many reasons Germany will probably always hold first place, but sales to Russia depend entirely on her exporting power, which is at present severely limited.

After Lenin's death, early in 1924, the central figures of the Soviet régime were Zinoviev, Dzerzhinsky and Stalin; of these only the last remains. Zinoviev has been expelled from the Political Bureau as a result of his undisciplined behaviour towards the Central Committee; and Dzerzhinsky, the notorious president of the State Political Department, O.G.P.U., or Cheka, is dead.

With the expulsion of Zinoviev, signs of dissension within the Communist party, noticeable for some time, have become more obvious. Stalin, who now dominates the Political Bureau, is faced by an opposition composed of a number of malcontents who differ among themselves. His task is to keep a balance between the extremes of capitalist and communist tendencies. There is not so much a split in the party as a growing body of disintegrating tendencies, mainly from the Left but partly also from the Right. All this may hasten the period of evolution and accelerate the movement towards normality—but it may do just the reverse. Stalin, the central figure in Russia to-day, although a fervent disciple of Lenin, appears, so far as one can tell at the moment, to be very much alive to the necessity of putting his own house in order. Were I to venture a prophecy, it would be that the next few years in Russia will show a growth of the tendency towards nationalism and away from internationalism. The influence of the enthusiastic idealists, to whom international revolutionary communism is an essential article of faith, not to be tampered with or watered down, cannot, however, be expected to disappear at once. In Russia, even more than elsewhere, a long view is necessary.

Poland

I have not much to say about the Baltic States. Poland remains sensitive, exacting and unsettled. Steady pressure was brought to bear upon her by France throughout last year to bring her into line with the policy of the Western Powers. We used our influence, not without success, in the same cause, and I am bound to say that Count Skrzynski, the then Foreign Minister, responded satisfactorily, and at my instance celebrated the conclusion of the Locarno treaties by revoking

(technically, suspending) the decrees of expulsion issued in pursuance of the Treaty of Versailles and subsequent agreements against some 18,000 German optants resident in Poland—an act of high statesmanship and generosity which received far too little recognition in Germany.

In May last Marshal Pilsudski carried through a *coup d'État* in Poland, but it would be premature to say yet whether the new régime will be successful. So far the new Polish Government have shown moderation both in their internal and foreign policy, and in particular they have announced their determination to end the prolonged tariff war with Germany. There is thus now some possibility of a *détente* in German-Polish relations, though it is not to be expected that German public opinion will renounce its claim for a rectification of the present German-Polish frontiers. I anticipate, however, that the presence of Poland and Germany on the Council of the League will help to promote more friendly relations. The Foreign Ministers will thus, it may be hoped, be brought into regular personal communication, and other members of the Council will be present to act as moderators and councillors.

The Baltic States

The Polish seizure of Vilna in 1921 still casts its shadow over the foreign relations of all the Baltic States, and the exaggerated pretensions and restless hyper-sensitiveness of her people and Government remain a cause of general misgiving. One result of this 'policy of prestige' is the distrust which Polish policy inspires in Russia and in the Baltic States, even as far as Finland—a distrust which has contributed to prevent any fruitful collaboration among these States and contributed to the failure, up to the present, of the attempts made this year to conclude pacts of mutual guarantee between them and the Soviet, or alternatively, treaties of alliance between those States themselves. The Soviet Government, as you are aware, affect to believe that their efforts to conclude pacts with their neighbours have been opposed by His Majesty's Government. I need hardly say that this is the reverse of the truth. I have informed the representatives of the States concerned on more than one occasion that I welcome any pacts calculated to preserve the peace of Eastern Europe, and the real reasons for the failure have nothing to do with His Majesty's Government.

The foreign, and to some extent the internal, policy of the small Baltic States created by the Treaty of Versailles continues to be dominated by their fear of reabsorption into Russia, which has recently led them to discuss combined action with a view to concluding a guarantee pact with the Soviet Union. Their mutual relations, however, do not yet seem sufficiently cordial to enable this policy to be carried into effect. Commercially, too, suspicion of Poland and of each other has been a hindrance to any marked development of relations between these States, but their economic position, particularly that of Estonia, is better than might be expected. Given freedom from the menace of invasion, there is no reason why they should not make considerable progress in the future, and an earnest of their desire to do so is the vigorous manner in which they are already setting about the numerous economic and financial problems that confront them.

Lithuania stands quite apart, as a result of the seizure of Vilna by Poland. She has just concluded a treaty of non-aggression with Russia. It follows previous models, particularly the Russo-German Treaty, and does not seem to be objectionable in itself. It has, however, naturally had the effect of alarming Lithuania's other neighbours.

Afghanistan

A few minutes ago I referred to Russian intrigues and imperialistic aims in Afghanistan and Persia. It is probable that the Ameer, or as he now styles himself the King, of Afghanistan realises fully the dangers to himself and his kingdom of permitting penetration on too wide a scale, and that his aim is to accept from the Soviet Government as much material and help as he can get without giving anything in return. But the situation is not free from danger. In the early part of this year Russian policy received a sharp setback owing to an acrimonious dispute that arose over the ownership of an island in the Oxus River, the Russo-Afghan boundary. This dispute has now been settled to the advantage of Afghanistan; and the ill-feeling engendered by it has been mitigated by the signature, on the 1st September [*sic*], of a Russo-Afghan Pact of Neutrality.³⁴

British relations with Afghanistan are governed by the treaty of November 1921,³⁵ described as a treaty not of friendship but of neighbourly relations. The chief test of true neighbourliness on the part of Afghanistan is the extent to which she abstains from making trouble for the Government of India among the Pathan tribes, who inhabit the strip of unadministered territory just inside the North-Western Frontier of India. In 1923 causes of complaint under this head were many. By the end of the year relations were much strained, and we applied pressure by holding up a consignment of Afghan munitions in transit through India. The King was induced to agree that the thorny question of his right to maintain relations with the tribes on the Indian side of the frontier must be thoroughly discussed, but before any practical discussion of the question could be undertaken, the Afghan Government found itself fully occupied with a serious rising, which was not finally put down till the summer of 1925.

During 1924 and 1925 the Afghan Government was so much preoccupied with its internal troubles that no development of great intrinsic importance in her relations with Great Britain took place. But the ready response given by the Government of India during this period to Afghan requests for permission to acquire munitions, &c., urgently required in connection with the rebellion and the unobtrusive [*sic*] help consistently afforded by British frontier officials no doubt convinced the Afghans of the friendly disposition of the British Government. In some degree the rising may be held to have contributed indirectly to the improved relations which now exist between Great Britain and Afghanistan, though the situation still requires careful watching.

Persia

At the time of the last Imperial Conference Sultan Ahmed, the Kajar Shah of Persia, was indulging in the fleshpots of Paris while his powerful Minister of War, Reza Khan, was consolidating his own position in Persia as dictator of the country. This process continued until last autumn, when Reza Khan, who had previously in the spring of 1925, attempted in vain to establish a republic, decided that the time for a final trial of strength had arrived. Replying upon the support of the army, which he had created, he succeeded by a bloodless revolution in deposing the Kajar dynasty and placing himself upon the throne, after obtaining an almost unanimous vote from an overawed Parliament.

Since his accession the new Shah has to some extent lost his popularity. He

³⁴ This treaty signed on August 31, 1926, is printed in *British and Foreign State Papers*, vol. 125, pp. 2-4.

³⁵ Printed, with annexed exchange of notes, *op. cit.*, vol. 114, pp. 174-82.

has had to cope with several minor revolts in the provinces, due mainly to the rapacity and corruption of the generals commanding the various districts, who have to a large measure usurped the functions of the civil governors. The future of Reza Shah appears to depend to a great extent on whether he can succeed in curbing the cupidity of his subordinates and insisting on the troops receiving their pay, which is now in some cases nine months in arrear. The new Shah has displayed a strength of character rare among Persians who have attained to his present eminence. Since his coronation, however, he has shown no signs of his former energy, and he appears to be mainly preoccupied by jealousy of any of his Ministers who threaten to acquire influence in the country. It remains to be seen whether he is capable of wielding the sceptre which he has won. He professes great friendliness for this country; but he is, not unnaturally, keenly alive to the risk of offending the Soviet Government by pursuing an openly pro-British policy, as neither he nor any other Persian can forget that Russia forms the northern boundary of Persia.

Although events in Persia during the last three years have produced important outward changes in the government of the country, it would be rash to assume that this backward and degenerate country has really set its feet upon the ladder of progress. It is rather a case of 'plus ça change, plus c'est la même chose.' Beneath the surface there remains an obstinate substratum of corruption, prejudice and self-complacency. As in other Eastern countries, nationalism tinged with xenophobia sways the minds of the leading politicians. In spite of professions of friendship, successive Persian Governments have not furnished any concrete proof of their desire to settle the various questions outstanding between Great Britain and Persia. The Persian Parliament has yet to approve the proposed basis of settlement of the debt owed by Persia to His Majesty's Government and the Government of India; claims by British subjects amounting to several hundred thousand pounds still await payment; British trade still suffers from the unfair discrimination against it provided by the application of a different tariff on the northern and other frontiers.

The American Financial Mission, to which Lord Curzon referred in his speech three years ago, is still at work and has achieved a certain measure of success, though not without some friction with the Persians. Our policy has always been to watch their activities with a benevolent eye. There is much talk of road and railway construction and the Persian Parliament has passed legislation to facilitate this. Surveys will probably be carried out, but beyond this no immediate progress can be expected, as funds are lacking to finance the rather grandiose schemes which are envisaged.

Persia's geographical position, with Russia to the north, the British Empire to the south (Persian Gulf) and east (India), and the British mandated territory of Iraq to the west, induces in her politicians a permanent anxiety-complex which manifests itself in their foreign policy. Their fear of Russia, for which they have good reason, is greater at present than their fear of us. Hence we may expect to see Persia, too weak to stand up to Russia, attempt to flatter her and bargain with her, perhaps to the detriment of our interests. For this reason it is hazardous to predict any permanent continuance of the better relations which now obtain.

China

On the other side of Asia stands the vast Chinese Empire. It may have seemed in 1923 that Lord Curzon was taking too gloomy a view of the outlook in that

country, but events have amply justified his words. The present situation could scarcely be worse. Central Government has ceased almost entirely and civil war has become endemic. The principal railways are under permanent military control, and the country is at the mercy of soldiers and bandits. Anti-foreign feeling has increased considerably, partly owing to delay in carrying out the promises made at Washington; partly to a deliberate policy specially noticeable at Canton of using xenophobia as a national rallying cry; partly to the intrigues of Soviet Russia.

The brunt of this anti-foreign agitation has fallen upon Great Britain, both because we have for the last hundred years been the most conspicuous foreign Power in China, with a preponderance in treaty port administration, and because Russian influence has deliberately pushed the Chinese against us. Russian propaganda, together with the conclusion in 1924 of a treaty of friendship by which Russia surrendered her extraterritorial rights in China,³⁶ acted like an intoxicant, especially on the students and the *intelligentsia*. This student agitation became increasingly violent during the first months of 1925, and in May it focused itself on certain labour disputes in Japanese mills at Shanghai and Tsing-tao. The arrest of some students in Shanghai led to an attempt by the mob to rush a police station. The police fired in self-defence and seven Chinese were killed. Such was the 'Shanghai massacre' of the 30th May, 1925,³⁷ which, I am inclined to believe, marks a definite stage in the awakening of China.

The reaction was overwhelming and almost entirely anti-British. There were anti-British riots in the principal treaty ports, strikes of Chinese in British employ (even the servants in the Legation at Peking were bribed and terrorised to strike), boycotts of British goods and steamers. The anti-British fever raged for three months throughout China, with great loss to British trade. In September it began to abate. By December it was practically at an end in North and Central China.

Faced by this sudden and unmerited attack, the British Government decided that a policy of force would merely play into the hands of their enemies, and that conciliation was the only alternative. To the Chinese Government's request for the consideration of treaty revision, we and the other Powers concerned replied by taking immediate steps to carry out the Washington policy. The Tariff Conference met at Peking on the 26th October, 1925, and the Extra-territoriality Commission of Enquiry on the 12th January, 1926.

In the meantime an attempt was made to dispose of the Shanghai incident by negotiation between the Diplomatic Body at Peking and the Chinese Government. This broke down owing to the extraneous demands made by the Chinese, and to an ill-timed attempt by the Diplomatic Body to coerce the Shanghai municipality. The *impasse* was solved by the appointment of an Anglo-Japanese-American tribunal of judges to enquire into the facts. Their findings were published and acted on by the Municipal Council. Although the Chinese boycotted the enquiry, it undoubtedly did good. It showed our sincerity and it contributed to clear the air.

The Tariff Conference sat from October 1925 to July 1926. Its agenda was enlarged at the Chinese request so as to admit discussion of the national aspiration for full tariff autonomy, and it was agreed that all existing restrictions on Chinese

³⁶ This agreement with declarations and exchange of notes signed at Peking on May 31, 1924, is printed *op. cit.*, vol. 122, pp. 263-70.

³⁷ See No. 344, note 10.

liberty in tariff matters should be removed on the 1st January, 1929. At the same time, the Chinese undertook that the internal taxation known as *li-kin* should be abolished by that date.

The conference then proceeded to discuss the question of surtaxes. Agreement had almost been reached among the non-Chinese delegations when the agreed scheme was torpedoed by the Japanese, who at the same time started an abortive propaganda to lay upon us the blame for the failure of the conference. As a matter of fact, the conference had failed because, owing to political changes, the Chinese delegation had melted away. It will probably not be resumed again until there is a Chinese Government in being and a sufficiently representative delegation with whom to negotiate.

The Extra-territoriality Commission completed its report, which was signed by all members, including the Chinese, on the 16th September.³⁸ In spite of difficulties created by the civil war, the commission was able to do its work in North and Central China, but at Canton and in South China it was not received on the ground that extra-territoriality should be totally abolished, and no investigation therefore was necessary. I have not yet received the report, but I understand that it recognises that extra-territoriality might be relinquished on the completion by the Chinese Government of certain reforms, including protection of the judiciary from military interference, and that it recommends that in the meantime the Powers should take steps, with the co-operation of the Chinese Government, to modify the existing practice of extra-territoriality with a view to meeting criticisms and remedying abuses.

I now come to Canton, which is quite independent of Peking, though it has not claimed that this independence should be recognised; in fact, the so-called Nationalist Government there claims to be the Government, not merely of Canton, but of all China. As none of the Washington Powers would assist Canton against the Central Government, Canton turned for help to Russia, who seized the opportunity to rouse Canton against the British. On the 23rd June, 1925, some Chinese fired on the Anglo-French concession.³⁹ The British and French troops replied, and fifty Chinese were killed. The boycott followed. The army of unemployed who form the boycott organisation live on confiscated British goods and on 'fines' levied on Chinese and foreign trade—a system which for many months has been simply organised brigandage. Canton itself is tired of the boycott, but the Government has never felt itself strong enough to take action, and this has wrecked several attempts at a settlement. Last August two events took place which considerably changed the situation. The intensification of the activities of the boycott organisation against British subjects in Canton harbour compelled the British naval forces to take active steps to put a stop to these acts of piracy. About the same time the Cantonese nationalist forces advanced into Central China and occupied the important commercial centre of Hankow, which is a treaty port with a British concession, and the centre of British industrial and commercial enterprise on the Yang-tsze. It was at first feared that in consequence of this advance the Canton boycott would be extended to the Yang-tsze Valley. Happily these fears have not been realised. On the contrary, the Cantonese Government, about the middle of September, informed His Majesty's Government that they proposed to raise the Canton boycott on or before the 10th October, and to levy, with the assistance of the Maritime Customs organisation, certain consumption taxes on foreign imported goods, with the object, it was understood,

³⁸ See Cmd. 2774 cf. 1926.

³⁹ See No. 344, note 13.

of liquidating the boycott organisation. The proposal to levy local taxes with the assistance of the Customs organisation may, perhaps, raise delicate international questions, but His Majesty's Government hope that the end of the disastrous boycott is now in sight and that trade relations between Hong Kong and Canton will soon be resumed and extended.

The immediate future of China still depends on the rivalries and treacheries of the various military leaders. While the internal conditions have become worse, the demand for a revision of the present relations with foreign Powers has become increasingly articulate. The Chinese are right in their argument that the treaties are out of date and treaty revision must be accepted as the fundamental British policy, but the great practical difficulty is negotiation on such basic matters with a country that has no government.

The disturbed state of China and the recent British naval action on the Yang-tsze have given rise to rumours that His Majesty's Government intend to adopt a policy of intervention in China. This is not so. We are determined to avoid being drawn into intervention in Chinese affairs on a large scale, and we have no intention of supporting any particular faction or General or opposing any particular party. Our interest in China is commercial, and it follows that while, as in duty bound, we shall protect British lives and interests, our policy will remain essentially one of patience and conciliation.

It was our wish to act in China in close co-operation with the United States and Japan. To our great disappointment, and in spite of large concessions on our part, this unity has not been attained. The policy of the United States in China is obscure and vacillating, generally dominated by the generous but ill-informed sentiment of the Middle West, but becoming sharply realistic the moment an American material interest is touched. Thus, whilst hastening to join the Japanese in a premature acceptance of the Chinese demand for tariff autonomy, we find the United States equally linked with Japan in the determination to make the grant of the Washington surtaxes⁴⁰ conditional on the devotion of the proceeds to the funding of their unsecured debts.

Japan

Japan's foreign policy during the last three years has been marked by extreme caution. Her army has been slightly decreased in numbers, but has been improved in equipment: her navy has been kept up to strength, but there is no sign of intensive military or naval preparations. Japan undoubtedly desires peace. War, especially war with so formidable an enemy as America, is out of the question. Economy is the order of the day and has been rendered still more necessary by the earthquake.⁴¹ I quote in this connection a striking paragraph from a report by the late Ambassador, Sir C. Eliot, in which he sums up the period covered by his mission:⁴²

'The change in Japanese foreign policy which has occurred in the last five or six years is most remarkable. At the end of the European war, the Japanese were left in possession of Tsing-tao, the Maritime Province of Siberia,

⁴⁰ See Cmd. 1627 of 1922, pp. 47-52, for the treaty signed at Washington on February 6, 1922, which provided that the Chinese customs tariff should be increased by $2\frac{1}{4}$ per cent.

⁴¹ The reference was to the severe earthquake of September 1, 1923.

⁴² Tokyo despatch No. 33 of January 26, 1926, is not printed. Sir C. Eliot was H.M. Ambassador at Tokyo from 1920 to 1926.

and the whole Island of Saghalien. They had hoped to find the Allies exhausted by the strain of the war and themselves masters of the Far East, secure from foreign interference. It was in this spirit that, in 1915, the present Prime Minister made the celebrated twenty-one demands on China.⁴³ But the result of the war was not what the Japanese had expected. The Allies were not exhausted to the extent they supposed; the United States grew exceedingly prosperous and influential, and their own financial and commercial position became critical. The Washington Conference was anything but a victory for them; they gave up Tsing-tao, Eastern Siberia and, most wonderful of all, Northern Saghalien. Even Japanese critics of their own statesmen could only say that they had wasted money and lives on useless enterprises which could not be carried to any conclusion. It became apparent that, whatever Japan had been before, she was now a weak Power.'

The American Immigration Law of 1924⁴⁴ was very deeply and permanently resented by the Japanese, and a certain amount of this resentment reacted on relations with all English-speaking people. I cannot too strongly urge that the greatest caution be used in dealing with this problem of Japanese immigration, to which the Japanese attach a hypersensitive importance, especially to the *manner* in which it is handled. The Japanese Government are most anxious to avoid friction on this delicate subject, and will be found reasonable in accepting any restrictions which do not attach to their nationals a stigma of undesirability.

During the last two years His Majesty's Embassy has reported on a marked increase in the cordiality of the Japanese attitude towards Great Britain. The decision to send H.I.H. Prince Chichibu, brother of the Prince Regent, for a long stay in this country is a sign of Japan's regard for us, and has in itself promoted pro-British feeling. A definite threat from Russia would probably bring the two countries still more closely together.

Japan signed a Treaty with Soviet Russia restoring diplomatic and, to some extent, commercial intercourse on the 21st [20th] January, 1925.⁴⁵ This is in no way a treaty of alliance. Indeed it carries Japan very little further than our own trade agreement with Russia. Russo-Japanese relations are correct, but they are by no means cordial, and Japan's active railway-building policy in Manchuria is being carried out at Russia's expense and does not please the Soviet Government.

The one steadfast aim of Japanese policy in the Far East would seem to be the control of Southern and, perhaps, Northern Manchuria and a preponderating influence in at least Northern China. The Washington Conference gave Japan an opportunity, which she was not slow to take, to change her policy of aggression and interference in China for one of conciliation and neutrality, but her aim remains essentially the same. She does not wish to see a strong and united China, still less the growth of any foreign influence in China other than her own. Co-operation therefore with Japan is difficult. If we suggest strong action, Japan warns the Chinese of our 'Imperialism', or poses as a mediator between China and ourselves. Having suffered from boycotts in China on and off for the last ten

⁴³ See *The Sino-Japanese Negotiations of 1915* (Carnegie Endowment, Washington, 1921).

⁴⁴ For an account of the background to and the effects of the Immigration Law signed on May 26, 1924, and printed in the United States Department of Justice, *Immigration and Nationality Laws and Regulations as of March 1, 1944* (Washington, 1944), pp. 39-61, see *Survey of International Affairs 1924*, pp. 86-103 and 127-60.

⁴⁵ This convention of friendship and economic co-operation signed at Peking is printed with protocol and exchange of notes in *British and Foreign State Papers*, vol. 122, pp. 894-905.

years, it must give Japan a certain satisfaction to see her chief commercial competitor and ex-ally subjected to similar treatment, and the fact that the anti-British movement of last year arose from trouble in a Japanese mill adds piquancy to the situation.

Let me add that the agitation regarding the Singapore base has died down, and the question is no longer a live issue in the minds of the Japanese.

Crossing the Pacific we reach the New World.

United States of America

The maintenance of good relations with the United States is and always must be a cardinal aim of British policy, and on the whole it may be said that Great Britain has never been so generally popular with the American people as it is to-day. This was certainly the case up to a few months ago. Since then there have been certain events such as the rubber controversy and the various exchanges over the debt policy of the United States which have tended to check this wholesome development. A number of uncomplimentary epithets have been bandied about in connection with these two subjects, but it may be taken as a proof of the better feelings in the United States towards this country that the general friendliness of public opinion there seems not to have been impaired to any appreciable extent. It is regrettable, though not surprising, that in this country on the other hand feeling towards the United States is less friendly than at any time since the American civil war. They are even less popular on the continent. It is felt that after being largely responsible for the form which the peace settlement took, they have left Europe unaided to face difficulties for which American policy was largely responsible. Their habit of lecturing other nations and proffering advice where a little practical help might have been expected does nothing to allay the irritation. At the same time there is the fear of American financial domination which M. Clemenceau recently expressed when he declared that France was not for sale.⁴⁶ The huge investments of American capital in European concerns—according to a statement which I saw recently, American interests in Germany already amount to 35 per cent. of the total—are a matter which gives rise to much thought. It is difficult to see how the nations of Europe can continue to pay to the United States the tribute which they seek to exact without borrowing the money for this purpose in New York and thus fall deeper and deeper into the coils. It is, I think, probable that in a not distant future the whole position will have to be revised, but until France has ratified her debt settlements, no material change is to be expected in American opinion.

The settlement of our own debt was made by the present Prime Minister when Chancellor of the Exchequer. Together with the settlement of the Irish question, it has done more than anything else to produce the improvement in the feeling of the United States towards this country. There is, however, still one question which is causing me some anxiety. Last year we received information that the United States Government were contemplating the presentation of claims calling in question the basic principles of the British blockade policy and involving the possible payment by His Majesty's Government of large sums for losses suffered by United States citizens as the result of measures adopted by this country for the enforcement of the blockade of the enemy Powers. We resolved that everything possible should be done to prevent the presentation of the claims, which it was

⁴⁶ The reference was to an open letter addressed by M. Clemenceau to Mr. Coolidge on August 8, 1926: see *The Times*, August 9, 1926, p. 10.

impossible for us to entertain as they would directly challenge those belligerent rights on which the power and safety of the British Empire rest in times of war. A personal appeal was therefore made to the United States Secretary of State and to the President himself. The line we took was that a demand for a settlement of such claims would give rise in this country to so deep a feeling of resentment that relations between the two countries would be seriously affected for many years to come. British public opinion would not forget that the very measures from which the claim arose had redounded to the advantage of the United States when they eventually entered the war and by shortening the struggle had saved them much suffering, great loss of life and vast sums of money. Further, it was common knowledge here that on the entry of the United States into the war their officials had sat on all our blockade committees and had helped to make the blockade more drastic than before. They had thus become parties to the very measures of which they complained, and if their navy had not actually taken part in the seizures and detentions of neutral vessels and cargoes, this was due to the form assumed by the blockade in its later stages.

The President and Mr. Kellogg were on the whole friendly and disclaimed any intention of doing anything to endanger our relations, but it was not possible to obtain any explicit statement that these claims would not be presented. Senator Borah was in the wings and made incursions on to the stage to the embarrassment of Mr. Kellogg, whom he frightened into adopting at his prompting lines which were not apparently in his original intention. A resolution by Mr. Borah was passed by the Senate, in which the Secretary of State was asked to say what steps he was taking to negotiate claims and conventions with Great Britain and France for the arbitration and settlement of claims arising out of violations of the rights of neutrals during the period of American neutrality.

We intimated that we could not consider the submission of such claims to arbitration, and at times it looked as if Mr. Kellogg were ready to acquiesce. But Mr. Borah maintained his pressure and it seemed evident that arbitration in some form, either by a special claims convention or under the procedure laid down in the Arbitration Convention of 1908 was the ultimate aim of the United States Government.

There are some 3,500 so-called claims on file at the State Department against actions by His Majesty's Government under the blockade. In many cases they are not, properly speaking, claims at all, and the question of the final disposal of many others is in doubt. There is doubt, too, as to the nature of the questions involved by a large number of the complaints. They have therefore been examined in the State Department by Mr. Phenix, an official of that Department, in conjunction with Mr. Broderick, the commercial counsellor of His Majesty's Embassy, with the object of dividing the claims into categories and gaining information as to how many call in question the legality of the blockade. On the 1st September last Mr. Phenix and Mr. Broderick arrived in this country and are now pursuing their enquiries. Steps have been taken to ensure that Mr. Phenix should not be able to say that he is ignorant of the attitude of His Majesty's Government towards the arbitration, or even the consideration, of claims raising the question of the legality of the blockade.

Care is being taken to avoid publicity being given to this whole matter, but in case undue publicity beyond that which it has already received in the United States should result from Mr. Borah's or any other persons' activities, we have decided on the line which we shall take if a statement has to be given out for

publication. It would be to the effect that His Majesty's Government will not consider arbitration for the following reasons:

- (i) The United States of America entered the war against Germany; she profited by the results of all the measures of which she now complains; joined in enforcing them; took part in the blockade work and helped to tighten up the blockade measures already in force.
- (ii) These measures were founded on American practice and decisions of the Supreme Court of the United States of America adapted to modern conditions as the Supreme Court adapted the doctrines of the Napoleonic wars to the circumstances and needs of their civil war.
- (iii) His Majesty's Government consider the validity of the measures which they, in common with their Allies, adopted during the war to maintain the blockade of Germany to be a vital issue within the meaning of article 1 of our Arbitration Treaty with the United States of April 1908. The United States Government themselves exclude the vital interests of their country from arbitration, and past experience has shown that they would not permit to go to arbitration any case which might call in question the validity of the Monroe doctrine. Our belligerent rights at sea are for us a vital interest—a matter of life and death—and may be regarded as the British equivalent of the Monroe doctrine.

I have dwelt on this matter at some length because we cannot possibly give way, and if the United States are obdurate, serious friction and trouble may result. I sincerely hope this will not happen. The presentation of these claims would really be an outrage when it is remembered that the United States proposed, originated and carried out in co-operation with this country, a much more drastic operation against the passage of neutral goods, say from Spain or the Argentine to Germany and Scandinavia, than anything that we attempted before they came into the war, viz., the laying of the greater part of the northern mine barrage right across the North Sea, which meant that any vessel attempting to reach the Scandinavian coast would be blown up without the chance of visit, search or detention.

I am glad to be able to say that, judging from recent indications, the United States Government now appear to be disinclined to raise the blockade issue, and there is reason to hope that they may eventually be satisfied with the settlement of a certain number of claims which they consider to be especially 'meritorious' and which do not call in question the principle of the blockade. In such final settlement account must of course be taken of those British claims against the United States Government which, in our opinion, merit greater consideration than they have so far received at American hands.

Central and South America

A few words must suffice for Central and South America. We have resumed diplomatic relations with Mexico, which had been in abeyance since 1918. President Calles appears to be making an honest attempt to give stable government to the country, and it has been agreed that British claims, which are large and numerous, shall be referred to a mixed commission. We are still, however, in some trouble over two recent Mexican laws which define the terms upon which foreigners are to be allowed to hold two classes of property—land and petroleum rights—

in Mexico.⁴⁷ Into the conflict which has arisen between Church and State we have tried to be drawn as little as possible, but our Minister at Mexico City is watching the matter closely with a view to the protection of any imperial interests which may be affected.

The dispute between Chile and Peru over the Tacna-Arica Provinces is still no nearer settlement. By the Treaty of Ancon of 1883,⁴⁸ it was provided that a plebiscite should be held after ten years to determine the ownership of the Tacna-Arica area. The Peruvians have pressed ever since 1893 for the plebiscite to be held or for the matter to be submitted to arbitration, but Chile always resisted, and meanwhile has taken every step to make it impossible for Peruvians to remain in the zone. The United States Government in May 1922 invited Chile and Peru to send representatives to Washington to settle the dispute. As a result President Coolidge delivered an arbitral award in March 1925, in which he decided that a plebiscite should be held, and a United States Commission, under the presidency of General Pershing, was sent to the provinces to make the necessary arrangements for a plebiscite to be held.

Chiefly owing to Chilean obstruction, it has not, however, yet been possible to hold the plebiscite under any conditions which would ensure a fair result. That is the position at present. Though His Majesty's Government have thought it best to abstain from all intervention in a question of no direct concern to themselves, the situation can only be regarded as unsatisfactory, and there have already been moments when relations between the two countries have seemed so strained as to bring about a risk of war.

⁴⁷ See No. 499, note 4.

⁴⁸ The treaty of peace and friendship signed by Chile and Peru at Lima on October 20, 1883, is printed in *British and Foreign State Papers*, vol. 74, pp. 349-53; see also No. 481, note 3.

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